



# DESTINATION MEDICAL CENTER CORPORATION (DMCC)

## BOARD MEETING

9:30 A.M. THURSDAY, DECEMBER 17, 2015

MAYO CIVIC CENTER - ROCHESTER



DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

Thursday, December 17, 2015

9:30 A.M.

AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of Minutes: October 29, 2015
- V. Public Comment Period
- VI. Chair's Report
- VII. DMCC 2015 Budget: Year to Date Update
- VIII. DMCC Insurance: LMCIT
- IX. DMCC 2016 Meeting Schedule  
Resolution A: Approving the 2016 DMCC Board Regular Meeting Schedule
- X. Resolution B: Approval of Minnesota Annual Report
- XI. Center for Energy and Environment: Report (Presenters: Sheldon Strom, Jenny Edwards)
- XII. Economic Development Agency
  - A. Update
  - B. Discovery Square: Update (Presenters: Dr. Clark Otley, Xavier Frigola, Traci Downs, and Lisa Clarke)
  - C. Heart of the City: Request for Qualifications (RFQ) (Presenters: Patrick Seeb, Lisa Clarke)
  - D. DMC Dashboard: Update
  - E. St. Marys Place: Update
- XIII. City of Rochester
  - A. Update
  - B. 2<sup>nd</sup> Street Holiday Inn Project
- XIV. Resolution C: Commendation
- XV. Meeting Schedule:
  - A. Next Regular Meeting: March 24, 2016 at 9:30 A.M.
- XVI. Adjournment

**DESTINATION MEDICAL CENTER CORPORATION  
BOARD OF DIRECTORS**

MINUTES  
October 29, 2015

- I. Call to Order. Chair Tina Smith called the meeting to order at 9:30 a.m. at the Mayo Civic Center, Presentation Hall, located at 30 Civic Center Drive SE, Rochester, MN 55904.
  
- II. Roll Call. In attendance were Chair Tina Smith, R.T. Rybak, Mayor Ardell F. Brede, Council Member Ed Hruska, Commissioner Jim Bier, and Bill George.
  
- III. Approval of Agenda. Council Member Hruska moved approval of the Agenda. Mr. George seconded.  
  
Ayes (6), Nays (0), Motion carried.
  
- IV. Approval of Minutes. Chair Smith requested approval of the Minutes from the meeting held on September 24, 2015. Commissioner Bier moved approval. Mayor Brede seconded.  
  
Ayes (6), Nays (0), Motion carried.
  
- V. Public Comment Period. Chair Smith invited members of the community to provide comments.  
  
Barry Skolnick, Rochester resident, spoke about historic and heritage preservation and the ordinance which the Heritage Preservation Commission has forwarded with its recommendation to the City Council.  
  
Nancy Slocum, Rochester resident, echoed the concerns about historic preservation, adding the importance of having the Commission and City Council review all buildings that are added or removed from the list of historic properties.  
  
Michael Wojcik, Rochester City Council Member, commented on progress and process as it related to DMC. He noted a concern about how proposals are being forwarded to the DMCC, and specifically mentioned the proposed arena project. He stated that DMC funds are precious, and caution should be used; because DMCC has authority over public dollars, it needs to address conflicts head-on and plan to achieve desired outcomes.  
  
Ivan Idso, chair of Rochester EarthFest, expressed support for a comprehensive renewable energy plan in Rochester and requested DMC support for the weeklong "EarthFest" event planned for April 2016.  
  
Richard Olen, of Shorewood, Minnesota, spoke about an elevated transit system in Rochester and noted that the Schwagger Davis firm has expressed interest in providing input during transportation planning.
  
- VI. Chair's Report. Chair Smith welcomed the public, the City Council members and County Board members in attendance. She noted that the meeting would focus on affordable housing and the patient and visitor experience. She noted a sense of

urgency with respect to marketing, metrics and momentum when the DMCC considered the budget at its last meeting, and reminded the Board of its three priorities: transportation, Discovery Square and Heart of the City. With respect to Heart of the City, Chair Smith invited discussion about the public spaces in the Heart of the City district, and said that she would suggest a process for a request for proposals in November. Mr. Rybak stated that Peace Plaza is the best public space in the state, but needs to be the best in the world to enhance the destination medical center. He encouraged the Board to protect the public realm and move forward with its vision. Mr. George expressed support, and Mayor Brede noted that these discussions would also enhance the Chateau Theatre.

- VII. DMCC 2015 Budget: Year to Date Update. Commissioner Bier provided the 2015 Budget update. 56% of the total 2015 budget remains with just three months left before year end.
- VIII. DMCC: Form 990. Craig Popenhagen, of Clifton Larson Allen, provided an overview on the DMCC's draft Form 990 and the Minnesota Annual Report. He explained that the 990 filing is required for all nonprofit entities. Mr. Popenhagen reviewed each section of the document and acknowledged that the form is stamped "draft" in order to give the Board the opportunity to review the form before it is submitted to the IRS. Commissioner Bier moved to authorize the Chair or the Treasurer to make any final revisions to the Form 990 and the Minnesota Annual Report and to execute and file it with the IRS and Attorney General's Office, respectively. Council Member Hruska seconded.

Ayes (6), Nays (0), Motion carried.

- IX. Center for Energy and Environment: Update. Mike Bull, CEE Communications and Policy Director, provided a brief update on the progress made with the study. They have worked with individuals in the community to gain a better understanding and learn more about the needs of the Rochester community, and plan to seek additional public input at the Rochester Energy Commission on November 10. Mr. Rybak stated that the integration of all of the energy players was important, and that the final report should hold each player accountable. Council Member Hruska asked about metrics and what the report's recommendations would cover. CEE will provide a comprehensive report at the November Board meeting.
- X. Affordable Housing. Olmsted County Commissioner Stephanie Podulke and Olmsted County Housing Director Cheryl Jacobson provided an overview on affordable housing. Commissioner Podulke presented a history of the HRA, and discussed the projected community-wide labor and housing shortage. She discussed the surrounding smaller cities and the availability of housing. Mr. Rybak requested data on the workforce, and noted that the DMCC had leverage to apply on tying investments to required goals. Council Member Hruska commented on the housing currently under construction in Rochester and in the development district.
- XI. Patient and Visitor Experience. Jeff Bolton, Chair of the EDA Board of Directors, Lisa Clarke, EDA Executive Director, Mayo Clinic-DMC Manager Heidi Mestad, and Dr. Sandhya Pruthi provided an update on Patient and Visitor Experience research conducted by Mayo Clinic. At 67%, Mayo Clinic patients and companions make up the largest market segment of visitors to Rochester. Business visitors and community residents were other key market segments that have been surveyed. The research indicated common perceptions/desires across all visitor subsets. The EDA has collaborated with Mayo Clinic's Office of Patient Experience, the Rochester Convention and Visitors Bureau and other organizations to explore new ways of integrating efforts to create a more seamless patient experience. The following are areas where DMC should concentrate efforts to enhance patient and visitor



experience: providing a sense of welcome at key touch points; facilitating the patient, companion, and visitor journey; creating places, programs and services for patients to feel "normal" during their time in the community; and engaging visitors and community residents in health and wellness.

Mr. George thanked the presenters, and asked whether Mayo had collected information on competing centers, and noted that the hospitality industry influences how patients feel about their experiences. Council Member Hruska commented that the certified ambassador program would demonstrate the care offered and taken by the entire community.

- XII. Economic Development Agency: Update. Mr. Bolton and Ms. Clarke provided the EDA update. Mr. Bolton reported on the outcome of the most recent EDA Board meeting, and stated that there was good progress on the Discovery Square feasibility study, with an update to be provided in November. He stated that Mayo is working on its five-year CIP, and he felt confident about the \$3.5 billion target.

Ms. Clarke reported that the EDA is working with the City to create a process for reviewing development projects that come forward for DMC funding. There are more than a dozen projects in the DMC for review. The EDA will be hosting a roundtable with a group of developers, construction companies and other groups to get input on the development and funding process. The EDA is also working on a Developer's Guide, which will serve as a resource for development within the DMC District.

Ms. Clarke reported that the EDA released a Request For Qualifications for a marketing consultant to advance the DMC's comprehensive marketing effort, and that the EDA is evaluating local, regional, state, national, and international health and wellness initiatives in DMC's effort to become America's City for Health. She noted that the EDA is assisting the City in its transportation planning efforts, and is supporting several regionally-focused initiatives, including Rochester's Global Entrepreneurship Week, the Greater Rochester Arts and Cultural Trusts public art master planning, and a partnership with MN Nice Ride. In addition, the EDA is in early stages of developing long-term strategies and relationships with several entities, including MN DEED, LifeScience Alley and Greater MSP, in an effort to mutually leverage resources and relationships at the state, national, and international levels. Finally, the EDA is operating within budget for 2015 and utilizing the Working Capital Loan structure implemented by the DMCC and the City.

- XIII. City of Rochester: Update. City Council President Randy Staver provided a brief update. The City Comprehensive Plan process is underway and making progress. The City is soliciting community input and has received many submissions to date. The City is currently reviewing its updated plan and will provide a first draft by the end of this year for public review. The final plan will undergo public review and adoption in early 2016.

President Staver also commented briefly on affordable housing, noting that the City has paid considerable attention to this issue over the years. In the past 15 years, the City has financed over 1,500 new affordable units and an additional 500 rehabilitation units. He commented on the City's newest type of housing unit, the medical stay housing complex.

On behalf of Mayor Brede, President Staver noted that the Chateau Theatre task force continues to meet. Completion of the sale of the Chateau Theatre has been extended to the end of the year.

- XIV. Meeting Schedule. The next regular meeting of the DMCC is Thursday, November 19, 2015, at 9:30 a.m.
- XV. Adjournment. Mr. George moved to adjourn the meeting. Mr. Rybak seconded.  
Ayes (6), Nays (0), Motion carried.

816269.DOCX

TO: Jim Bier, Treasurer  
Kathleen Lamb, Attorney

FR: Dale Martinson, Assistant Treasurer

Date: December 9, 2015

RE: November 2015 Financial Summary



The attached financial summary for November reflects activity to date totaling \$2,478,411 of 2015 budgeted expenditures plus \$550,675 of total closeout work on the 2014 plan development carryover costs. The total remaining 2015 budget of \$ 1,594,392 represents 39% of the original budget remaining with just one month (8.3%) of the year remaining. There will be some additional accrued expenses outstanding at year end, but we should be well under budget under any circumstances.

The largest expense is the payment to Hammes of \$153,800 with just two more payments remaining on that contract as the EDA staffing is now in place. These EDA payroll expenses are now showing up on these reports, however, they are not included in the "Detail Cost Report #6" page following the financial summary as that report lists only EDA contract costs processed by the Hammes Corporation.

Please feel free to contact me with any questions or concerns.

Destination Medical Center Corporation  
**Financial Budget Summary**  
**November 2015**

	2015 Amended Approved Budget	Curent Month November 2015	November 2015 YTD	Amount Remaining	Percent Remaining
<b>General Expenses</b>	217,203	27,786	64,675	152,528	70%
<b>Professional Services</b>	780,600	46,407	296,654	483,946	62%
<b>City Expenses</b>	275,000		-	275,000	100%
<b>Subtotal DMCC</b>	<b>1,272,803</b>	<b>74,193</b>	<b>361,329</b>	<b>911,474</b>	<b>72%</b>
<b>Third Party Costs - DMC EDA *</b>					
Payroll, Staff, Administration & Benefits-EDA	218,000	46,525	134,499	83,501	38%
General Expenses - EDA	79,000	14,283	31,925	47,075	60%
Economic Development Outreach	108,000	25,000	216,313	(108,313)	-100%
Meeting Expenses	-	-		-	
Professional Services	2,295,000	167,567	1,703,945	591,055	26%
Miscellaneous Expenses	100,000	3,800	30,400	69,600	70%
<b>Subtotal EDA</b>	<b>2,800,000</b>	<b>257,175</b>	<b>2,117,082</b>	<b>682,918</b>	<b>24%</b>
<b>Total DMCC 2015</b>	<b>4,072,803</b>	<b>331,368</b>	<b>2,478,411</b>	<b>1,594,392</b>	<b>39%</b>
			-		
<b>Plus 2014 EDA Project/Contract Carryover</b>	570,106 *		550,675	19,431	3%
				-	-
* See Attached Contract Commitments for EDA Portion		DMCC Working Capital Note	1,000		
		EDA Working Capital Note	50,000		

**\*Carryover of 2014 Budget to complete plan as approved by board on 7/30/2015**

**DETAIL COST REPORT #6**

**November 30, 2015**

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
<b>DEVELOPMENT COSTS</b>											
40-05-000	Architecture & Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-05-300	Planning Services, Architecture, Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-25-000	Marketing & Public Relations	\$318,000.00	\$463,716.20	\$0.00	\$463,716.20	\$0.00	(\$145,716.20)	\$318,000.00	\$0.00	\$307,774.20	96.78%
40-25-300	Communications, Marketing & PR	\$108,000.00	\$273,225.00	\$0.00	\$273,225.00	\$0.00	(\$165,225.00)	\$108,000.00	\$0.00	\$216,312.50	200.29%
40-25-310	Public Relations & Communications	\$210,000.00	\$190,491.20	\$0.00	\$190,491.20	\$0.00	\$19,508.80	\$210,000.00	\$0.00	\$91,461.70	43.55%
40-30-000	Development Services	\$1,900,000.00	\$1,862,000.00	\$2,119.55	\$1,864,119.55	\$0.00	\$35,880.45	\$1,900,000.00	\$0.00	\$1,564,042.93	82.32%
40-30-300	Development Services	\$1,860,000.00	\$1,860,000.00	\$0.00	\$1,860,000.00	\$0.00	\$0.00	\$1,860,000.00	\$0.00	\$1,560,000.00	83.87%
40-30-310	Financial, Accounting & Investment Services	\$40,000.00	\$2,000.00	\$2,119.55	\$4,119.55	\$0.00	\$35,880.45	\$40,000.00	\$0.00	\$4,042.93	10.11%
40-35-000	Legal Services	\$50,000.00	\$46,329.33	\$811.74	\$47,141.07	\$0.00	\$2,858.93	\$50,000.00	\$0.00	\$47,141.07	94.28%
40-35-300	Legal Services	\$50,000.00	\$46,329.33	\$811.74	\$47,141.07	\$0.00	\$2,858.93	\$50,000.00	\$0.00	\$47,141.07	94.28%
40-90-000	Other Development Costs	\$397,000.00	\$60,696.10	\$9,228.59	\$69,924.69	\$0.00	\$327,075.31	\$397,000.00	\$0.00	\$62,324.69	15.70%
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$218,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$218,000.00	\$218,000.00	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	\$79,000.00	\$22,696.10	\$9,228.59	\$31,924.69	\$0.00	\$47,075.31	\$79,000.00	\$0.00	\$31,924.69	40.41%
40-90-300	Reimbursable Expenses	\$100,000.00	\$38,000.00	\$0.00	\$38,000.00	\$0.00	\$62,000.00	\$100,000.00	\$0.00	\$30,400.00	30.40%
	<b>Subtotal</b>	<b>\$2,800,000.00</b>	<b>\$2,446,132.10</b>	<b>\$12,159.88</b>	<b>\$2,458,291.98</b>	<b>\$0.00</b>	<b>\$341,708.02</b>	<b>\$2,800,000.00</b>	<b>\$0.00</b>	<b>\$1,982,582.46</b>	<b>70.81%</b>
<b>PROJECT CONTINGENCY</b>											
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>Subtotal</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
	<b>PROJECT TOTAL</b>	<b>\$2,800,000.00</b>	<b>\$2,446,132.10</b>	<b>\$12,159.88</b>	<b>\$2,458,291.98</b>	<b>\$0.00</b>	<b>\$341,708.02</b>	<b>\$2,800,000.00</b>	<b>\$0.00</b>	<b>\$1,982,582.46</b>	<b>70.81%</b>



## LIABILITY COVERAGE – WAIVER FORM

**LMCIT members purchasing coverage must complete and return this form to LMCIT before the effective date of the coverage. Please return the completed form to your underwriter or email to [pstech@lmc.org](mailto:pstech@lmc.org)**

This decision must be made by the member's governing body every year. You may also wish to discuss these issues with your attorney.

Cities and other League of Minnesota Cities Insurance Trust members that obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the city purchases the optional excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could potentially recover up to \$1,500,000 for a single occurrence. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$1,500,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

\_\_\_\_\_ accepts liability coverage limits of \$ \_\_\_\_\_ from the League of Minnesota Cities Insurance Trust (LMCIT).

Check one:

- The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minnesota Statutes Section 466.04.
- The member **WAIVES** the monetary limits on municipal tort liability established by Minnesota Statutes Section 466.04, to the extent of the limits of the liability coverage obtained from LMCIT.

Date of city council/governing body meeting \_\_\_\_\_

Signature \_\_\_\_\_

Position \_\_\_\_\_

**DESTINATION MEDICAL CENTER CORPORATION**

**RESOLUTION NO. \_\_\_-2015**

**Approving the 2016 DMCC Board Regular Meeting Schedule**

BACKGROUND RECITALS

The Minnesota Open Meeting Law provides that a schedule of the regular meetings of a public body shall be kept on file at its primary office. If a public body decides to hold a regular meeting at a time or place different from the time or place stated in its schedule of regular meetings, it shall give the same notice of the meeting that is provided for a special meeting.

RESOLUTION

**NOW, THEREFORE, BE IT RESOLVED**, by the Destination Medical Center Corporation (“DMCC”) Board of Directors that the schedule of regular meetings for 2016 is set forth below. The meetings will begin at 9:30 a.m., and the location will be at the Mayo Civic Center. The Secretary is directed to post the 2016 schedule on the website and to post notification by such other means as she determines necessary and appropriate.

<u>Date</u>	<u>Time</u>	<u>Mayo Civic Center</u>
Thursday, March 24, 2016	9:30 a.m.	Mayo Civic Center
Thursday, May 26, 2016	9:30 a.m.	Mayo Civic Center
Thursday, June 23, 2106	9:30 a.m.	Mayo Civic Center
Thursday, August 25, 2016	9:30 a.m.	Mayo Civic Center
Thursday, October 27, 2016	9:30 a.m.	Mayo Civic Center
Thursday, December 15, 2016	9:30 a.m.	Mayo Civic Center

**B.**

**DESTINATION MEDICAL CENTER CORPORATION**

**RESOLUTION NO. \_\_\_-2015**

**Approving the 2015 State of Minnesota Charitable  
Organization Initial Registration and Annual Report Form**

BACKGROUND RECITALS

A. On behalf of the Destination Medical Center Corporation (“DMCC”), CliftonLarsonAllen (“CLA”) prepared the attached State of Minnesota Charitable Organization Initial Registration and Annual Report Form (the “Annual Report”) and is recommending that the DMCC approve it. It is attached hereto as Exhibit A.

B. The Annual Report was presented to the DMCC at its meeting on October 29, 2015 by CLA. It must be approved by resolution of the DMCC.

RESOLUTIONS

**NOW, THEREFORE, BE IT RESOLVED**, by the Destination Medical Center Corporation, that the 2015 State of Minnesota Charitable Organization Initial Registration and Annual Report Form is approved.

**BE IT FURTHER RESOLVED**, that the Board authorizes the Chair or Treasurer to take any action or make any amendments necessary and to file the Annual Report.



# TAX RETURN FILING INSTRUCTIONS

## MINNESOTA INITIAL REGISTRATION

FOR THE YEAR ENDING

DECEMBER 31, 2014

<b>Prepared for</b>	DESTINATION MEDICAL CENTER CORPORATION 201 4TH STREET SE NO. 204 ROCHESTER, MN 55904
<b>Prepared by</b>	CLIFTONLARSONALLEN LLP P.O. BOX 217 AUSTIN, MN 55912 507-434-7000
<b>Mail tax return to</b>	OFFICE OF THE ATTORNEY GENERAL SUITE 1200, BREMER TOWER 445 MINNESOTA STREET ST. PAUL, MN 55101-2130
<b>Return must be mailed on or before</b>	PLEASE MAIL AS SOON AS POSSIBLE.
<b>Special Instructions</b>	THE REPORT SHOULD BE SIGNED AND DATED BY THE AUTHORIZED INDIVIDUAL(S).  ENCLOSE A CHECK FOR \$25 MADE PAYABLE TO STATE OF MINNESOTA. INCLUDE THE ORGANIZATION'S MINNESOTA CHARITABLE ORGANIZATION NUMBER AND INITIAL REGISTRATION ON THE REMITTANCE.

STATE OF MINNESOTA

CHARITABLE ORGANIZATION INITIAL REGISTRATION & ANNUAL REPORT FORM

ATTORNEY GENERAL LORI SWANSON
SUITE 1200, BREMER TOWER
445 MINNESOTA STREET
ST. PAUL, MN 55101-2130
(651) 757-1311
(651) 296-1410 (TTY)
www.ag.state.mn.us

Annual Reporting Initial Registration

FEDERAL EIN NUMBER: 46-4959371

FOR YEAR ENDING: 12/31/2014

SECTION A: REQUIRED INFORMATION FOR INITIAL REGISTRATION & ANNUAL REPORTING

1. Legal Name of Organization: DESTINATION MEDICAL CENTER CORPORATION

If annual reporting, is this a new name since the organization's last filing? Yes No

If so, please state former name:

2. List all names under which the organization solicits contributions: DESTINATION MEDICAL CENTER CORPORATION

3. Mailing Address of Organization (required) Physical Address of Organization (required)
201 4TH STREET SE 201 4TH STREET SE
ROCHESTER, MN 55904 ROCHESTER, MN 55904

4. Contact Person DALE MARTINSON E-mail DMARTINSON@ROCHESTERMN.GOV
Tel. No. 507-328-2850 Fax No.

5. Does the organization use the services of a professional fund-raiser (outside solicitor or consultant)? Yes No

If so, provide name and address of any outside professional fund-raiser employed by the organization and state the total amount of compensation each outside fund-raiser received from the filing organization during the year. Attach schedule if more than one.

Name Address City State ZIP Compensation

6. a) Does this professional fund-raiser solicit or consult in Minnesota? Yes No

b) Is this professional fund-raiser registered to solicit or consult in Minnesota? Yes No

7. Month and day accounting year ends: 12/31

8. Has the organization included the filing fee, late fee (if any) and all attachments required by the instructions? Yes No

Office Use Only: ARF \$25 \$50 N (e-Postcard) 990 EZ PF FES SIG BD SAL Audit

9. This Section A(9) must be completed by organizations filing a 990-N (e-Postcard) or organizations whose filing does not contain the information requested below. This includes organizations that: 1) do not file an IRS Form 990, 2) file an IRS Form 990-EZ or 990-PF, or 3) organizations that file a group return that does not include the filing organization's individual financial information.

**INCOME**

Contributions from the public	\$	<u>0.</u>
Government Grants	\$	<u>5,416,446.</u>
Other revenue	\$	<u>1.</u>
<b>TOTAL REVENUE</b>	\$	<u>5,416,447.</u>

EXCESS or DEFICIT	\$	<u>0.</u>
TOTAL Assets	\$	<u>1,292,478.</u>
TOTAL Liabilities	\$	<u>1,292,478.</u>

**END OF YEAR FUND BALANCE/NET WORTH** (Assets minus Liabilities) \$ 0.

**SECTION B: REQUIRED FOR INITIAL REGISTRATION ONLY**

1. Address of registered agent in the State of Minnesota or the address of the person who has custody of the organization's books and records if not kept at the organization's office.

Name DALE MARTINSON  
Street and Number 201 4TH STREET SE, ROOM 204  
City ROCHESTER State MN ZIP 55904 Telephone # 507-328-2850

2. Type of legal entity (Attach the creating document):  
 Nonprofit corporation     Trust     Unincorporated association     Other \_\_\_\_\_

3. Place and date the organization was incorporated: MN 07/23/2013  
(state) (date)

4. Is the organization exempt from federal income taxes?  
 Yes (Attach a copy of the IRS determination letter) Status: 501(c)( 3 )  
 No Date organization submitted Form 1023 to the IRS \_\_\_\_\_

5. If the organization is not exempt from federal income taxes and uses a fiscal agent, state the fiscal agent's name, address and federal EIN:  
\_\_\_\_\_  
\_\_\_\_\_

6. Has the organization been denied the right to solicit contributions?  
a. By any government agency?  Yes  No If yes, attach explanation.  
b. By any court?  Yes  No If yes, attach explanation.

7. Explain in detail the charitable purposes of the organization, including major program activities. SEE STATEMENT 1  
THE DMCC WAS CREATED BY MINNESOTA STATUTES, SECTIONS 496.4-.47 AS AN  
INITIATIVE TO SECURE THE CITY OF ROCHESTER AS A GLOBAL DESTINATION  
MEDICAL CENTER. THE DMCC IS A CHARITY THAT LESSENS THE BURDENS OF

8. Please mark all items that describe the organization's charitable mission:  
 Arts & Culture     Human Services     Civic/Lobbying     International     Health  
 Environment     Mental Health     Education     Religious     Other SEE STMT 1  
Or: List the NTEE code(s) that describe the organization's purpose: \_\_\_\_\_

9. Which of the above two best describes the organization's primary purpose(s)?  
1. PREPARE & ADOPT DEVELOPMENT PLAN    2. IMPLEMENT DEVELOPMENT PLAN

10. Check one or more methods of solicitation the organization anticipates using:  
 Telephone appeals     Grant writing     Sweepstakes     Other \_\_\_\_\_  
 Direct mail     Internet     Media

11. State the total contributions the organization received during the accounting year last ended:  
\$ 5,416,446.

12. Attach a list of organization's officers, directors, trustees, and chief executive officer, including their titles, addresses, and total annual compensation paid to each. SEE STATEMENT 2  Attached

**SECTION D: REQUIRED FOR INITIAL REGISTRATION & ANNUAL REPORTING**

**BOARD OF DIRECTORS  
SIGNATURES AND ACKNOWLEDGMENT**

We, the undersigned, state and acknowledge that we are duly constituted officers of this organization, being the

TREASURER \_\_\_\_\_ (Title) and CHAIR \_\_\_\_\_ (Title) respectively, and

that we execute this document on behalf of the organization pursuant to the resolution of the

BOARD OF DIRECTORS \_\_\_\_\_ (Board of Directors, Trustees, or Managing Group) adopted on the \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_, approving the contents of the document, and do hereby certify that the

BOARD OF DIRECTORS \_\_\_\_\_ (Board of Directors, Trustees, or Managing Group) has assumed, and will continue

to assume, responsibility for determining matters of policy, and have supervised, and will continue to supervise, the finances of the organization. We

further state that the information supplied is true, correct and complete to the best of our knowledge.

JAMES V. BIER  
Name (Print)

TINA FLINT SMITH  
Name (Print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

TREASURER  
Title

CHAIR  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**\* NOTICE \***

Documents required to be filed are public records. Please do not include social security numbers, driver's license numbers or bank account numbers on the documents filed with this Office as they are not required, but could become part of the public records. A charitable organization is not required to file a list of its donors. If it is included, it may become part of the public file.

AG: #3124563-v1

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ANNUAL REPORT	CHARITABLE PURPOSES OF THE ORGANIZATION	STATEMENT	1
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CHARITABLE PURPOSE

THE DMCC WAS CREATED BY MINNESOTA STATUTES, SECTIONS 496.4-.47 AS AN INITIATIVE TO SECURE THE CITY OF ROCHESTER AS A GLOBAL DESTINATION MEDICAL CENTER. THE DMCC IS A CHARITY THAT LESSENS THE BURDENS OF GOVERNMENT BY ASSISTING THE CITY, OLMSTED COUNTY, AND THE STATE OF MINNESOTA IN PREPARING AND IMPLEMENTING A MASTER DEVELOPMENT PLAN TO ESTABLISH THE CITY AS A DESTINATION MEDICAL CENTER. THE DMCC ALSO QUALIFIES AS A PUBLIC CHARITY UNDER SECTION 509(A)(1) OF THE CODE. SINCE ITS CREATION ON JULY 23, 2013, THE DMCC HAS BEEN ENTIRELY FUNDED BY THE CITY OF ROCHESTER.

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ANNUAL REPORT                      LIST OF OFFICERS, DIRECTORS AND TRUSTEES                      STATEMENT    2

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## NAME

---

TINA FLINT SMITH

## TITLE

---

CHAIR

## TOTAL ANNUAL COMPENSATION

---

0.

## ADDRESS

---

201 4TH STREET SE ROCHESTER, MN 55904

## NAME

---

R.T. RYBAK

## TITLE

---

VICE CHAIR

## TOTAL ANNUAL COMPENSATION

---

0.

## ADDRESS

---

201 4TH STREET SE ROCHESTER, MN 55904

## NAME

---

JIM BIER

## TITLE

---

TREASURER

## TOTAL ANNUAL COMPENSATION

---

0.

## ADDRESS

---

201 4TH STREET SE ROCHESTER, MN 55904

## NAME

---

ARDELL F. BREDE

## TITLE

---

DIRECTOR

## TOTAL ANNUAL COMPENSATION

---

0.

## ADDRESS

---

201 4TH STREET SE ROCHESTER, MN 55904

NAME

JAMES CAMPBELL

TITLE

TOTAL ANNUAL COMPENSATION

DIRECTOR

0.

ADDRESS

201 4TH STREET SE ROCHESTER, MN 55904

NAME

BILL GEORGE

TITLE

TOTAL ANNUAL COMPENSATION

DIRECTOR

0.

ADDRESS

201 4TH STREET SE ROCHESTER, MN 55904

NAME

ED HRUSKA

TITLE

TOTAL ANNUAL COMPENSATION

DIRECTOR

0.

ADDRESS

201 4TH STREET SE ROCHESTER, MN 55904

NAME

SUSAN PARK RANI

TITLE

TOTAL ANNUAL COMPENSATION

DIRECTOR

0.

ADDRESS

201 4TH STREET SE ROCHESTER, MN 55904



# DMC Coordinated Energy Plan Recommendations

DMCC Board Meeting  
December 17th, 2015

**Sheldon Strom** | President, CEE  
**Jenny Edwards** | Director, Innovation Exchange, CEE  
**Ken Smith** | President + CEO, Evergreen Energy

  
Center for Energy and Environment



**EVER-GREEN  
ENERGY™**

# ●● Goals for This Project

- **Formulate options** for advancing DMC energy & climate goals
- **Coordinate** on energy infrastructure investments & operating principles
- **Identify metrics** by which benefits can be measured

**Heart of the City**



**Discovery Square**



An aerial view of a modern city skyline at sunset. The sky is a mix of orange, yellow, and blue. In the foreground, a semi-transparent white box contains blue text. The background shows various skyscrapers and buildings, including a prominent white building with a dome in the distance.

**An opportunity for Rochester, Mayo,  
and the DMC to be recognized for  
sustainability worldwide.**







**Economic  
Competitiveness  
Innovation**

**Health &  
Energy  
Linkages**



# Energy in the Health Sector



Practice Greenhealth  
Award Winner  
Greening the O.R.



LEED Gold Standard  
Advanced Building Controls

The operation  
and construction  
of hospitals  
equates to 5% of  
all of the energy  
consumed in the  
United States.

**GUNDERSEN**  
HEALTH SYSTEM®

La Crosse, WI

Energy Independence  
supplied by renewables

 **Cleveland Clinic**

13 LEED buildings  
20% energy reduction

# Growth of Energy Districts



ENVISION:CHARLOTTE  
UNITING FOR A SUSTAINABLE CITY

**HAFENCITY**  
HAMBURG



**Cleveland**    **San Francisco**  
**Seattle**    **Stamford**  
**Los Angeles**    **Dallas**  
**Pittsburgh**    **Toronto**  
**Denver**    **Albuquerque**



# Recap of What We've Learned: Mayo

- Mayo Clinic reducing energy use in existing buildings by 20% by 2020, 11% reduction to date
- Mayo Clinic considering options for district system
- Master Utility Planning exercise through 2016



Franklin Station

## Recap of What We've Learned: RPU

- RPU has a supply relationship with SMMPA until 2030, flexible thereafter
  - SMMPA installing increasing amount of renewables – 17% by 2016, 25% by 2025
- RPU is planning to commit significant resources to clean energy opportunities
  - **Energy Efficiency:** Averaging \$2.7M / year since 2009
  - **Renewable Energy:** Planned solar additions in 2015, 2021, 2028, 2031, 2033, 2035; significant wind energy addition planned in 2031





## Recap of Other Key Considerations:

- Energy Commission initiated an energy action plan
- Mayoral proclamation to have Rochester be served by 100% renewable energy by 2031
- DMCC energy and climate implementation steps will need to be practical and cost-effective

# • DMC Climate and Energy Sustainability Visions

## DMCC Board has included initial climate and energy sustainability visions in the Master Plan:

- **Climate** - To achieve carbon neutrality across the Destination Medication Center
- **Energy** - To implement the most progressive, responsive, and resilient district energy network in the country

# Sustainable Energy Zone



## • Sustainable Energy Zone

### **Establish Heart of the City and Discovery Square as the Sustainable Energy Zone.**

- Identification as a Zone will focus attention on all energy opportunities within identified geographic area
- Could be broadened by DMCC to full DMC and by the City to other parts of Rochester
- Our recommendations lead to carbon neutrality within the Zone after 2031 for non-transportation electric use



# Energy Efficiency





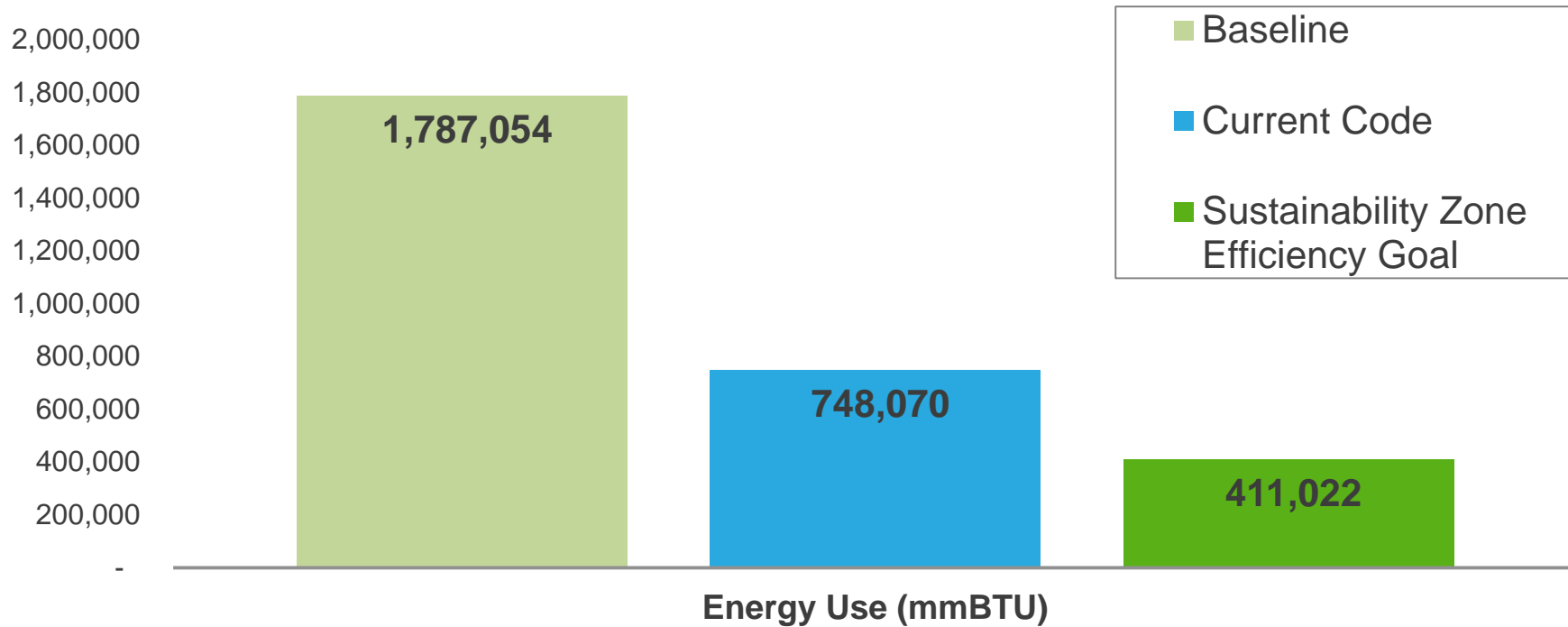
## Energy Efficiency

### **Capture all cost-effective efficiency improvements in the Zone.**

- Existing buildings in the Zone will reduce energy use by 20% by 2020
- New buildings in the Zone will be built and operated in accordance with Architecture 2030 standards

# Energy Efficiency

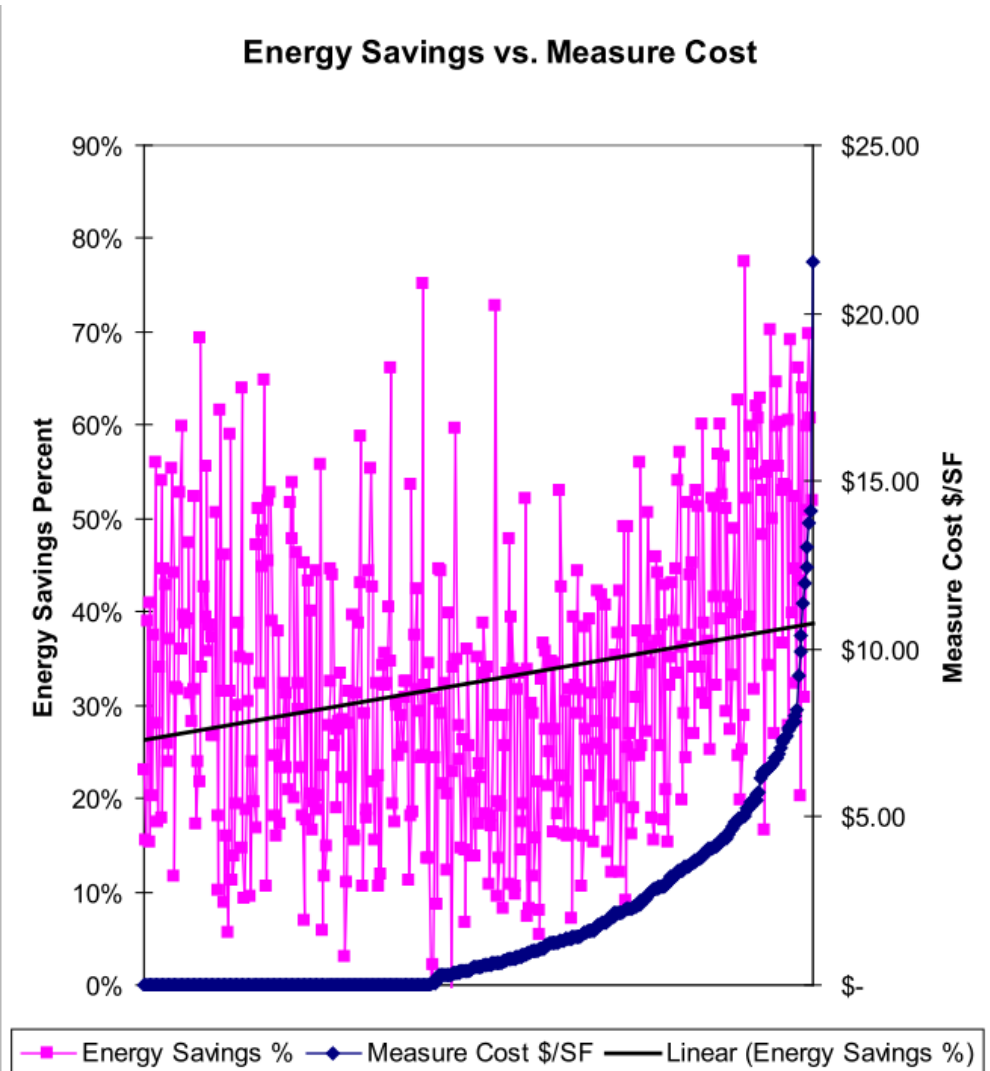
## Annual Energy Use Scenarios



Over 75% of energy use will be from health and bio-tech.

# Cost-Effectiveness Considerations

- Implement all options for new buildings with a payback under 10 years
- Consider options with higher paybacks when there are strong societal benefits
- Don't miss opportunities as existing buildings get redeveloped



Source: Center for Sustainable Building Research





## District Energy

**Optimize district energy investments that serve buildings within the Zone for reliability, energy cost, and carbon savings.**

- Build upon Mayo's existing cogeneration and district system
- Cogeneration can reduce carbon emissions by 40%
- Take advantage of latest district technologies and facilitate future integration of renewables
- An integrated system can establish a foundation for a microgrid

# Renewable Energy



# • Renewable Energy

## Maximize renewable energy serving the Zone.

- Integrate renewable energy during the design process
- Request that RPU and partners plan for sufficient renewable electricity and Renewable Energy Credits to offset carbon emissions associated with remaining electricity use in the Zone after 2031
  - RPU currently offers a carbon offset program using RECs
- Explore options for integrating renewable fuels into district energy systems

# Culture of Sustainability



## • Culture of Sustainability

### **Pursue broad engagement to promote and develop a culture of sustainability.**

- Actively promote local and global health benefits of DMC's energy initiatives to enhance DMC brand
- Provide engagement and visibility around energy use
- Provide educational opportunities to catalyze broad regional improvements
- Promote DMC's global leadership on climate change to national and international audiences



# Energy Integration Committee



## • Energy Integration Committee

### Request the EDA, City, RPU, MERC, and Mayo Clinic form a technical committee.

- These entities will need to take practical coordinated actions to ensure successful implementation of Climate and Energy visions within the Zone
- Ongoing accountability to the DMCC Board
- Provide transparency to the public
- Help building developers with easy-to-use technical assistance
- Coordinate utility and city programs that serve the Zone



# Energy Commission Workshop



# Energy Commission Workshop

What are some of Rochester's strongest community assets and how could they be leveraged to help support sustainability in the DMC?





# Making this happen!

- Most crucial element is to get started
- At a meeting in 1<sup>st</sup> Quarter 2016, the DMCC Board should adopt a resolution that:
  - Establishes the DMC Sustainability Zone and commits to goals
  - Invites EDA, Mayo Clinic, RPU, MERC, and the City to form an Energy Integration Committee (EIC)
  - Set a schedule for an initial plan by the EIC designed to take advantage of early opportunities
    - Work on energy reductions in existing buildings
    - Plan for energy efficiency and renewables in new buildings
    - Monitor the 2016 Mayo Master Plan for district energy opportunities
  - EDA to integrate adopted energy recommendations into external engagement efforts



An aerial view of a modern city skyline at sunset. The sky is a mix of orange, yellow, and blue. In the foreground, a semi-transparent white box contains blue text. The background shows various skyscrapers and buildings, including a prominent white building with a dome in the distance.

**An opportunity for Rochester, Mayo,  
and the DMC to be recognized for  
sustainability worldwide.**





# Thank you for your input!

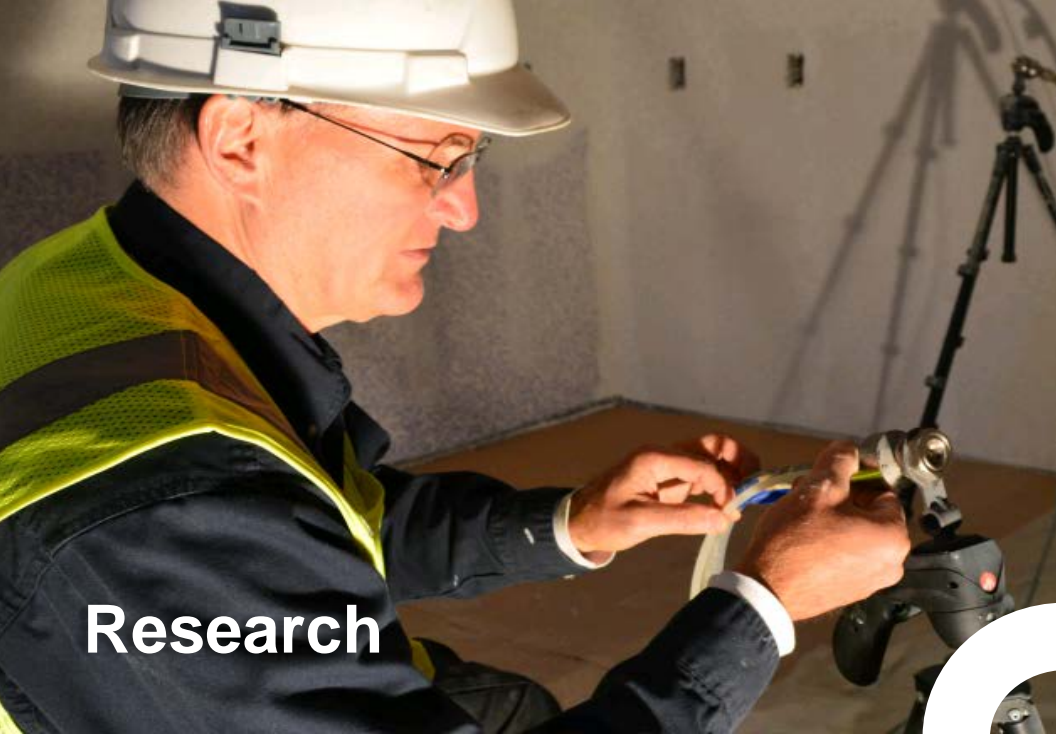


THANK  
*you!*

... and thank you to our sponsor!







**Research**



**Programs and Engineering Services**



**Local Energy Planning**



**Financing**



# Project Partner



*Ever-Green Energy:  
leverages industry-leading  
expertise to study, develop,  
own, and operate resilient  
energy systems that integrate  
local and sustainable energy  
sources with effective  
technology solutions*



Study &  
Develop

Engineer  
&  
Construct



Operate &  
Manage





**Monthly Report for  
Destination Medical Center Initiative**

## **TABLE OF CONTENTS**

- 1.0 Executive Summary
- 2.0 Master Project Budget
- 3.0 Budget Allocation Report
- 4.0 Cost Report
- 5.0 Contract Summary Report
- 6.0 Master Application for Payment
- 7.0 Other Information



OCTOBER - NOVEMBER 2015

## Major Accomplishments / Last 30 Days

The following provides an outline of the tasks completed by the DMC EDA in the last 30 days.

- Received vote of approval of 2016 DMC EDA budget and Workplan by the Rochester City Council
- Led presentations to 6 key stakeholder groups
- Conducted work sessions with project developers for 5 development proposals
- Communications Results
  - 47 DMC-related media stories
  - 4,301 DMC website visits
  - Facebook Weekly Total Post Reach: 1,000
  - Twitter: 2,493 Followers, 51 New Followers, 22,500 Impressions

## Major Tasks / Next 60 Days

The following provides an outline of the anticipated tasks to be completed by the DMC EDA in the next 60 days.

- Finalize the Development Guide that will be available to DMC development interests
- Initiate Heart of the City Public Space RFQ process
- Present to individuals and groups including potential developer and investor groups
- Develop metrics and metrics management systems.
- Support Chateau Theater task force process
- Work with the City to prepare funding terms and a complete funding program for DMC public infrastructure projects
- Select marketing firm and complete the 2016 communications and marketing strategy
- Focus communication efforts on elevating awareness through outreach across the state and building national support for the DMC





# Monthly Progress Report

OCTOBER - NOVEMBER, 2015

This report provides a summary of the activities undertaken by the Destination Medical Center Economic Development Agency (DMC EDA) for the period stated above.

## FINANCE

- DMC EDA is within budget for 2015 and utilizing the Working Capital Loan structure implemented by the DMC Corporation and the City.
- DMC EDA and the City have agreed that expenses from 2015 will be honored by the City, and any incomplete contracts with services remaining will be accounted for within 2016 budget.
- Looking forward, the DMC EDA is forecasted to finish the 2015 fiscal budget year at \$2.7M of total expenses against a budget of \$2.8M. The 2015 budget included \$100,000 of "Miscellaneous Costs / Contingency," which fully represents the positive difference between the forecast and budget. Additionally this \$100,000 balance gives the EDA a safety net in case any large expenses occur in the last four weeks of the year.

## 2015 DMC EDA Forecast Review

DMC EDA P&L	Act/Fcst	Budget	Var Fav / (UnFav)
EDA Staff Costs	\$ 229,239	\$ 224,000	\$ (5,239)
EDA Operational Costs	\$ 77,596	\$ 108,000	\$ 30,404
Economic Development Outreach & Support	\$ 62,033	\$ 73,000	\$ 10,967
Professional Services	\$ 2,332,031	\$ 2,295,000	\$ (37,031)
Miscellaneous Costs / Contingency	\$ 150	\$ 100,000	\$ 99,850
<b>Total</b>	<b>\$ 2,701,049</b>	<b>\$ 2,800,000</b>	<b>\$ 98,951</b>

\*as of November 30, 2015

## BUSINESS / ECONOMIC DEVELOPMENT

- Coordinated with the City to track potential project activity and updates within the DMC district
- Worked with the City and reviewed the Design Guidelines proposal by the Metropolitan Design Center for development of design standards and guidelines within the DMC district
- Explored a more extensive effort to evolve the DMC brand identity and created marketing/collateral materials highlighting Discovery Square and Heart of the City priorities
- Continued to work with the City to prepare funding terms and a complete funding program for DMC public infrastructure projects
- Prepared a Development Guide that will be available to DMC development interests as a reference guide to building and developing within the DMC district
- Hosted work sessions with project developers for 5 development proposals
- Participated in exploratory discussion regarding 2023 World's Expo
- Participated in development of agenda for Global Entrepreneurship Week in Rochester
- Drafted a Heart of the City Request for Qualifications for discussion by the DMC Corporation Board
- Participated in ongoing discussions regarding the proposed Second Street Holiday Inn project
- Issued a letter of support related to the use of City TIF for the historic Conley Maass redevelopment project
- Provided input to the Chateau Theatre Re-Use Task Force

## COMMUNICATIONS, PUBLIC RELATIONS & COMMUNITY ENGAGEMENT

- Held a ribbon cutting ceremony on October 29th for the DMC EDA office
- Issued a Marketing Services Request for Qualifications and reviewed applications
- Continued regional outreach and presentations to business/ civic organizations and outstate communities, including Greater MSP leadership
- Began scheduling outreach to additional communities - Mankato Chamber of Commerce, St. Cloud and Duluth
- Coordinated meetings with local leaders and organizations to keep them informed and maintain relationships
- Presented to Global Entrepreneurs, Arts Group, Midwest Orthodontics Society, Women in Public Finance and Medica Sur
- Continued to enhance partnerships with Workforce Development Inc., MN Nice Ride, Market Rochester, Winona State University, Non-Profits and Community Networking Group
- Participated in the Minnesota Real Estate Journal Summit and Med-Tech Conference
- Began researching and developing a plan for National Media Outreach in coordination with Mayo Clinic and provided assistance for the Star Tribune feature on DMC
- Featured in Med City Beat Podcast with Patrick Seeb
- Finalized welcome video created for hotels
- October Media Results:
  - 54 media stories, including Rochester taxi/ bus plan, breaking ground on West Bank, Taylor Arena, economic development in Rochester, and rising housing needs
- In October, the DMC website was visited 4,154 times with 12,014 page views; 62% new visitors with the peak times being board meeting related
- October Social Media Results:
  - Facebook Weekly Total Post Reach: 2,200
  - Twitter: 2,447 Followers, 49 New Followers, 30,300 Impressions
- November Media Results:
  - 47 media stories, including DMC Energy Plan, a look at Rochester's future, economic and public investment in Rochester due to DMC, and new development and development opportunities in Rochester.
- In November, the DMC website was visited 4,301 times with 11,596 page views; 70% return visitors and peak times being board meeting related
- November Social Media Results:
  - Facebook Weekly Total Post Reach: 1,000
  - Twitter: 2,493 Followers, 51 New Followers, 22,500 Impressions

Oct. 2015 CUMULATIVE DRAW



## **2.0 MASTER PROJECT BUDGET**

The following Master Project Budget is included herein as Section 2.0.

**SOURCES AND USES REPORT #5** **October 31, 2015**

SOURCES OF FUNDS		
00-30-005	City Contribution	\$ 2,800,000.00
<b>TOTAL SOURCES OF FUNDS</b>		<b>\$ 2,800,000.00</b>

USES OF FUNDS		
40-00-000	Development Costs	\$ 2,800,000.00
90-00-000	Project Contingency	\$ -
<b>TOTAL USES OF FUNDS</b>		<b>\$ 2,800,000.00</b>



**MASTER PROJECT BUDGET #5** **October 31, 2015**

Division	Description	Final Projected Cost	Notes
	<b>DEVELOPMENT COSTS</b>		
40-05-000	Architecture & Engineering	\$135,000.00	
40-25-000	Marketing & Public Relations	\$318,000.00	
40-30-000	Development Services	\$1,900,000.00	
40-35-000	Legal Services	\$50,000.00	
40-90-000	Other Development Costs	\$397,000.00	
	<b>Subtotal</b>	<b>\$2,800,000.00</b>	
	<b>PROJECT CONTINGENCY</b>		
90-00-000	Project Contingency	\$0.00	
	<b>Subtotal</b>	<b>\$0.00</b>	
	<b>PROJECT TOTAL</b>	<b>\$2,800,000.00</b>	

**DETAIL MASTER PROJECT BUDGET #5** **October 31, 2015**

Division	Description	Final Projected Cost - Detail	Final Projected Cost	Notes
<b>DEVELOPMENT COSTS</b>				
<b>40-05-000</b>	<b>Architecture &amp; Engineering</b>		<b>\$135,000.00</b>	
40-05-300	Planning Services, Architecture, Engineering	\$135,000.00		
<b>40-25-000</b>	<b>Marketing &amp; Public Relations</b>		<b>\$318,000.00</b>	
40-25-300	Communications, Marketing & PR	\$108,000.00		
40-25-310	Public Relations & Communications	\$210,000.00		
<b>40-30-000</b>	<b>Development Services</b>		<b>\$1,900,000.00</b>	
40-30-300	Development Services	\$1,860,000.00		
40-30-310	Financial, Accounting & Investment Services	\$40,000.00		
<b>40-35-000</b>	<b>Legal Services</b>		<b>\$50,000.00</b>	
40-35-300	Legal Services	\$50,000.00		
<b>40-90-000</b>	<b>Other Development Costs</b>		<b>\$397,000.00</b>	
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$218,000.00		
40-90-120	General Expenses-EDA	\$79,000.00		
40-90-300	Reimbursable Expenses	\$100,000.00		
	<b>Subtotal</b>		<b>\$2,800,000.00</b>	
<b>PROJECT CONTINGENCY</b>				
<b>90-00-000</b>	<b>Project Contingency</b>		<b>\$0.00</b>	
	<b>Subtotal</b>		<b>\$0.00</b>	
	<b>PROJECT TOTAL</b>		<b>\$2,800,000.00</b>	

## **3.0 BUDGET ALLOCATION REPORT**

The following Budget Allocation Report is included herein as Section 3.0.

DMC - ECONOMIC DEVELOPMENT AGENCY (2015)

**BUDGET ALLOCATION REPORT #5**

**October 31, 2015**

Revision No	Revision Date	Division	Division Description	Revision Description	Revision Amount	Revision To	Revision Method	Requested By	Entered By

Final Projected Cost	
BEGINNING CONTINGENCY BALANCE	\$0.00
ENDING CONTINGENCY BALANCE	\$0.00

## 4.0 COST REPORT

The following Cost Report is included herein as Section 4.0.

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
	<b>DEVELOPMENT COSTS</b>										
40-05-000	Architecture & Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-25-000	Marketing & Public Relations	\$318,000.00	\$463,716.20	\$0.00	\$463,716.20	\$0.00	(\$145,716.20)	\$318,000.00	\$0.00	\$265,207.20	83.40%
40-30-000	Development Services	\$1,900,000.00	\$1,862,000.00	\$2,119.55	\$1,864,119.55	\$0.00	\$35,880.45	\$1,900,000.00	\$0.00	\$1,414,042.93	74.42%
40-35-000	Legal Services	\$50,000.00	\$46,329.33	\$811.74	\$47,141.07	\$0.00	\$2,858.93	\$50,000.00	\$0.00	\$47,141.07	94.28%
40-90-000	Other Development Costs	\$397,000.00	\$60,696.10	\$2,564.44	\$63,260.54	\$0.00	\$333,739.46	\$397,000.00	\$0.00	\$44,242.04	11.14%
	<b>Subtotal</b>	<b>\$2,800,000.00</b>	<b>\$2,446,132.10</b>	<b>\$5,495.73</b>	<b>\$2,451,627.83</b>	<b>\$0.00</b>	<b>\$348,372.17</b>	<b>\$2,800,000.00</b>	<b>\$0.00</b>	<b>\$1,771,932.81</b>	<b>63.28%</b>
	<b>PROJECT CONTINGENCY</b>										
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>Subtotal</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
	<b>PROJECT TOTAL</b>	<b>\$2,800,000.00</b>	<b>\$2,446,132.10</b>	<b>\$5,495.73</b>	<b>\$2,451,627.83</b>	<b>\$0.00</b>	<b>\$348,372.17</b>	<b>\$2,800,000.00</b>	<b>\$0.00</b>	<b>\$1,771,932.81</b>	<b>63.28%</b>

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
<b>DEVELOPMENT COSTS</b>											
40-05-000	Architecture & Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-05-300	Planning Services, Architecture, Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-25-000	Marketing & Public Relations	\$318,000.00	\$463,716.20	\$0.00	\$463,716.20	\$0.00	(\$145,716.20)	\$318,000.00	\$0.00	\$265,207.20	83.40%
40-25-300	Communications, Marketing & PR	\$108,000.00	\$273,225.00	\$0.00	\$273,225.00	\$0.00	(\$165,225.00)	\$108,000.00	\$0.00	\$191,312.50	177.14%
40-25-310	Public Relations & Communications	\$210,000.00	\$190,491.20	\$0.00	\$190,491.20	\$0.00	\$19,508.80	\$210,000.00	\$0.00	\$73,894.70	35.19%
40-30-000	Development Services	\$1,900,000.00	\$1,862,000.00	\$2,119.55	\$1,864,119.55	\$0.00	\$35,880.45	\$1,900,000.00	\$0.00	\$1,414,042.93	74.42%
40-30-300	Development Services	\$1,860,000.00	\$1,860,000.00	\$0.00	\$1,860,000.00	\$0.00	\$0.00	\$1,860,000.00	\$0.00	\$1,410,000.00	75.81%
40-30-310	Financial, Accounting & Investment Services	\$40,000.00	\$2,000.00	\$2,119.55	\$4,119.55	\$0.00	\$35,880.45	\$40,000.00	\$0.00	\$4,042.93	10.11%
40-35-000	Legal Services	\$50,000.00	\$46,329.33	\$811.74	\$47,141.07	\$0.00	\$2,858.93	\$50,000.00	\$0.00	\$47,141.07	94.28%
40-35-300	Legal Services	\$50,000.00	\$46,329.33	\$811.74	\$47,141.07	\$0.00	\$2,858.93	\$50,000.00	\$0.00	\$47,141.07	94.28%
40-90-000	Other Development Costs	\$397,000.00	\$60,696.10	\$2,564.44	\$63,260.54	\$0.00	\$333,739.46	\$397,000.00	\$0.00	\$44,242.04	11.14%
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$218,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$218,000.00	\$218,000.00	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	\$79,000.00	\$22,696.10	\$2,564.44	\$25,260.54	\$0.00	\$53,739.46	\$79,000.00	\$0.00	\$17,642.04	22.33%
40-90-300	Reimbursable Expenses	\$100,000.00	\$38,000.00	\$0.00	\$38,000.00	\$0.00	\$62,000.00	\$100,000.00	\$0.00	\$26,600.00	26.60%
	<b>Subtotal</b>	<b>\$2,800,000.00</b>	<b>\$2,446,132.10</b>	<b>\$5,495.73</b>	<b>\$2,451,627.83</b>	<b>\$0.00</b>	<b>\$348,372.17</b>	<b>\$2,800,000.00</b>	<b>\$0.00</b>	<b>\$1,771,932.81</b>	<b>63.28%</b>
<b>PROJECT CONTINGENCY</b>											
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	<b>Subtotal</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
	<b>PROJECT TOTAL</b>	<b>\$2,800,000.00</b>	<b>\$2,446,132.10</b>	<b>\$5,495.73</b>	<b>\$2,451,627.83</b>	<b>\$0.00</b>	<b>\$348,372.17</b>	<b>\$2,800,000.00</b>	<b>\$0.00</b>	<b>\$1,771,932.81</b>	<b>63.28%</b>



## **5.0 CONTRACT SUMMARY REPORT**

The following Contract Summary Report is included herein as Section 5.0.

**CONTRACT SUMMARY REPORT #5**

**October 31, 2015**

Division	Description	Status	Vendor Name	Contract Number	Original Contract Amount	Contract Revisions	Committed Costs	Direct Owner Purchases	Work in Place	Percent Complete
		Contract								
<b>DEVELOPMENT COSTS</b>										
<b>40-05-000</b>	<b>Architecture &amp; Engineering</b>				<b>\$13,390.47</b>	<b>\$0.00</b>	<b>\$13,390.47</b>	<b>\$0.00</b>	<b>\$1,299.57</b>	<b>9.71%</b>
40-05-300	Planning Services, Architecture, Engineering	X	CARROLL, FRANCK & ASSOCIATES	4020	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$1,299.57	9.71%
<b>40-25-000</b>	<b>Marketing &amp; Public Relations</b>				<b>\$463,716.20</b>	<b>\$0.00</b>	<b>\$463,716.20</b>	<b>\$0.00</b>	<b>\$265,207.20</b>	<b>57.19%</b>
40-25-300	Communications, Marketing & PR	X	HIMLE RAPP & CO., INC.	4017	\$255,000.00	\$0.00	\$255,000.00	\$0.00	\$190,000.00	74.51%
40-25-300	Communications, Marketing & PR	X	GINA MARIA CHIRI-OSMOND	4027	\$18,225.00	\$0.00	\$18,225.00	\$0.00	\$1,312.50	7.20%
40-25-310	Public Relations & Communications	X	BRANDHOOT	4016	\$41,051.20	\$0.00	\$41,051.20	\$0.00	\$19,447.20	47.37%
40-25-310	Public Relations & Communications	X	SAM SMITH	4030	\$72,240.00	\$0.00	\$72,240.00	\$0.00	\$19,447.50	26.92%
40-25-310	Public Relations & Communications	X	BRANDHOOT	4043	\$35,000.00	\$0.00	\$35,000.00	\$0.00	\$35,000.00	100.00%
40-25-310	Public Relations & Communications	X	FUSE DIGITAL CREATIVE SERVICES	4046	\$24,000.00	\$0.00	\$24,000.00	\$0.00	\$0.00	0.00%
40-25-310	Public Relations & Communications	X	INSPIRE MN, LLC	4047	\$18,200.00	\$0.00	\$18,200.00	\$0.00	\$0.00	0.00%
<b>40-30-000</b>	<b>Development Services</b>				<b>\$1,862,000.00</b>	<b>\$2,119.55</b>	<b>\$1,864,119.55</b>	<b>\$0.00</b>	<b>\$1,414,042.93</b>	<b>75.86%</b>
40-30-300	Development Services	X	HAMMES COMPANY SPORTS DEVEL.	DMA	\$1,860,000.00	\$0.00	\$1,860,000.00	\$0.00	\$1,410,000.00	75.81%
40-30-310	Financial, Accounting & Investment Services	X	CLIFTONLARSONALLEN LLP	4041	\$2,000.00	\$2,119.55	\$4,119.55	\$0.00	\$4,042.93	98.14%
<b>40-35-000</b>	<b>Legal Services</b>				<b>\$46,329.33</b>	<b>\$811.74</b>	<b>\$47,141.07</b>	<b>\$0.00</b>	<b>\$47,141.07</b>	<b>100.00%</b>
40-35-300	Legal Services	X	DORSEY & WHITNEY LLP	4015	\$43,049.83	\$0.00	\$43,049.83	\$0.00	\$43,049.83	100.00%
40-35-300	Legal Services	X	MICHAEL BEST & FRIEDRICH LLP	4021	\$3,279.50	\$811.74	\$4,091.24	\$0.00	\$4,091.24	100.00%
<b>40-90-000</b>	<b>Other Development Costs</b>				<b>\$60,696.10</b>	<b>\$2,564.44</b>	<b>\$63,260.54</b>	<b>\$0.00</b>	<b>\$44,242.04</b>	<b>69.94%</b>
40-90-120	General Expenses-EDA	X	CITY MARKET DOWNTOWN	4018	\$97.79	\$108.03	\$205.82	\$0.00	\$97.79	47.51%
40-90-120	General Expenses-EDA	X	CWS, INC.	4033	\$900.00	\$348.90	\$1,248.90	\$0.00	\$1,170.00	93.68%
40-90-120	General Expenses-EDA	X	DAVIES PRINTING COMPANY	4036	\$395.00	\$715.71	\$1,110.71	\$0.00	\$395.00	35.56%
40-90-120	General Expenses-EDA	X	DELUXE BUSINESS PRODUCTS	4042	\$266.97	\$0.00	\$266.97	\$0.00	\$266.97	100.00%
40-90-120	General Expenses-EDA	X	DATA SMART COMPUTERS INC.	4044	\$15,442.28	\$1,391.80	\$16,834.08	\$0.00	\$15,442.28	91.73%
40-90-120	General Expenses-EDA	X	ROCHESTER AREA CHAMBER OF COMMERC	4045	\$270.00	\$0.00	\$270.00	\$0.00	\$270.00	100.00%
40-90-120	General Expenses-EDA	X	MIDWEST SIGNTECH OF ROCHESTER, LLC	4048	\$1,304.36	\$0.00	\$1,304.36	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	X	TRACY ZDROIK	4049	\$3,900.00	\$0.00	\$3,900.00	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	X	RIGGOTT CREATIVE INC	4050	\$119.70	\$0.00	\$119.70	\$0.00	\$0.00	0.00%
40-90-300	Reimbursable Expenses	X	HAMMES COMPANY SPORTS DEVEL.	DMA	\$38,000.00	\$0.00	\$38,000.00	\$0.00	\$26,600.00	70.00%
	<b>Subtotal</b>				<b>\$2,446,132.10</b>	<b>\$5,495.73</b>	<b>\$2,451,627.83</b>	<b>\$0.00</b>	<b>\$1,771,932.81</b>	<b>72.28%</b>
<b>PROJECT CONTINGENCY</b>										
<b>90-00-000</b>	<b>Project Contingency</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
	<b>Subtotal</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>

**CONTRACT SUMMARY REPORT #5** **October 31, 2015**

Division	Description	Status		Vendor Name	Contract Number	Original Contract Amount	Contract Revisions	Committed Costs	Direct Owner Purchases	Work in Place	Percent Complete
		Contract									
	<b>PROJECT TOTAL</b>					\$2,446,132.10	\$5,495.73	\$2,451,627.83	\$0.00	\$1,771,932.81	72.28%

## MASTER APPLICATION FOR PAYMENT

### MASTER APPLICATION FOR PAYMENT (Form 4020)

From: HAMMES COMPANY  To: DMC Economic Development Authority 200 First Street SW Rochester, MN 55905  Attention: Executive Director	Application No.: 5 Application Date: October 1, 2015 Hammes Project No: 40050-06 Period From: September 1, 2015 Period To: September 30, 2015 Project Name: DMC Economic Development Agency (2015)	<b>Please Remit To:</b> Acct Name:  Acct No: Bank: Notify:
---	--	---

**PROJECT MANAGER:**

Submitted in accordance with the Contract Documents for approval by the EDA.

Signed By: \_\_\_\_\_  
Hammes Company Sports Development, Inc.

Date: October 1, 2015

Name: Robert P. Dunn

**STATEMENT OF PROJECT:**

ORIGINAL MASTER PROJECT BUDGET .....	\$ <u>2,800,000.00</u>
CURRENT MASTER PROJECT BUDGET .....	\$ <u>2,800,000.00</u>
<hr/>	
TOTAL COMPLETED & STORED TO DATE .....	\$ <u>1,771,932.81</u>
RETAINAGE TO DATE .....	\$ <u>-</u>
TOTAL COMPLETED LESS RETAINAGE .....	\$ <u>1,771,932.81</u>
LESS PREVIOUS REQUESTS .....	\$ <u>1,517,165.36</u>
CURRENT AMOUNT DUE (A + B) .....	\$ <u><u>254,767.45</u></u>
<hr/>	
CURRENT PAYMENTS DUE (A) .....	\$ <u>254,767.45</u>
DIRECT OWNER PURCHASES DUE (B) .....	\$ <u>-</u>

<b>SOURCES OF FUNDS:</b>		Current Application
City Contribution	\$	254,767.45
CURRENT SOURCES OF FUNDS	\$	<u>254,767.45</u>
<b>USES OF FUNDS:</b>		Current Application
40 - Development Costs	\$	254,767.45
50 - Financing Costs	\$	-
60 - Other Project Costs	\$	-
90 - Project Contingency	\$	-
CURRENT USES OF FUNDS	\$	<u>254,767.45</u>

**APPROVALS:**

\_\_\_\_\_  
 EDA: \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
 DMCC: \_\_\_\_\_ Date \_\_\_\_\_

DESTINATION MEDICAL CENTER  
 ECONOMIC DEVELOPMENT AGENCY (2015)

**DETAIL SOURCES AND USES REPORT #5** **October 1, 2015**

Division	Description	Final Projected Cost	Previous Billings	Current Billing	Total Billed To Date	Balance to Complete
<b>SOURCES OF FUNDS</b>						
00-30-005	City Contribution	\$2,800,000.00	\$1,517,165.36	\$254,767.45	\$1,771,932.81	\$1,028,067.19
	<b>Total Sources of Funds</b>	<b>\$2,800,000.00</b>	<b>\$1,517,165.36</b>	<b>\$254,767.45</b>	<b>\$1,771,932.81</b>	<b>\$1,028,067.19</b>
<b>USES OF FUNDS</b>						
40-00-000	Development Costs	\$2,800,000.00	\$1,517,165.36	\$254,767.45	\$1,771,932.81	\$1,028,067.19
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	<b>Total Uses of Funds</b>	<b>\$2,800,000.00</b>	<b>\$1,517,165.36</b>	<b>\$254,767.45</b>	<b>\$1,771,932.81</b>	<b>\$1,028,067.19</b>



**DESTINATION MEDICAL CENTER  
ECONOMIC DEVELOPMENT AUTHORITY (2015)**

**MASTER APPLICATION FOR PAYMENT DETAIL #5**

**October 1, 2015**

Division	Description	Vendor	Contract No	Work Completed To Date					Retainage		
				Previous Billing	Current Work In Place	Direct Owner Purchase	Total Work to Date	Percent Complete	Previous Retainage	Current Retainage	Total Retainage
	<b>DEVELOPMENT COSTS</b>										
40-05-000	<b>Architecture &amp; Engineering</b>			\$1,299.57	\$0.00	\$0.00	\$1,299.57	9.71%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	CARROLL, FRANCK & ASSOCIATES	4020	\$1,299.57	\$0.00	\$0.00	\$1,299.57	9.71%	\$0.00	\$0.00	\$0.00
40-25-000	<b>Marketing &amp; Public Relations</b>			\$182,698.70	\$82,508.50	\$0.00	\$265,207.20	62.92%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	HIMLE RAPP & CO., INC.	4017	\$152,500.00	\$37,500.00	\$0.00	\$190,000.00	74.51%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	GINA MARIA CHIRI-OSMOND	4027	\$1,012.50	\$300.00	\$0.00	\$1,312.50	7.20%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	BRANDHOOT	4016	\$15,361.20	\$4,086.00	\$0.00	\$19,447.20	47.37%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	SAM SMITH	4030	\$13,825.00	\$5,622.50	\$0.00	\$19,447.50	26.92%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	BRANDHOOT	4043	\$0.00	\$35,000.00	\$0.00	\$35,000.00	100.00%	\$0.00	\$0.00	\$0.00
40-30-000	<b>Development Services</b>			\$1,262,000.00	\$152,042.93	\$0.00	\$1,414,042.93	75.86%	\$0.00	\$0.00	\$0.00
40-30-300	Development Services	HAMMES COMPANY SPORTS DEVEL.	DMA	\$1,260,000.00	\$150,000.00	\$0.00	\$1,410,000.00	75.81%	\$0.00	\$0.00	\$0.00
40-30-310	Financial, Accounting & Investment Services	CLIFTONLARSONALLEN LLP	4041	\$2,000.00	\$2,042.93	\$0.00	\$4,042.93	98.14%	\$0.00	\$0.00	\$0.00
40-35-000	<b>Legal Services</b>			\$46,877.33	\$263.74	\$0.00	\$47,141.07	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	DORSEY & WHITNEY LLP	4015	\$43,049.83	\$0.00	\$0.00	\$43,049.83	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	MICHAEL BEST & FRIEDRICH LLP	4021	\$3,827.50	\$263.74	\$0.00	\$4,091.24	100.00%	\$0.00	\$0.00	\$0.00
40-90-000	<b>Other Development Costs</b>			\$24,289.76	\$19,952.28	\$0.00	\$44,242.04	79.51%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CITY MARKET DOWNTOWN	4018	\$97.79	\$0.00	\$0.00	\$97.79	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CWS, INC.	4033	\$1,125.00	\$45.00	\$0.00	\$1,170.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DAVIES PRINTING COMPANY	4036	\$0.00	\$395.00	\$0.00	\$395.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DELUXE BUSINESS PRODUCTS	4042	\$266.97	\$0.00	\$0.00	\$266.97	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DATA SMART COMPUTERS INC.	4044	\$0.00	\$15,442.28	\$0.00	\$15,442.28	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	ROCHESTER AREA CHAMBER OF COMMERC	4045	\$0.00	\$270.00	\$0.00	\$270.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-300	Reimbursable Expenses	HAMMES COMPANY SPORTS DEVEL.	DMA	\$22,800.00	\$3,800.00	\$0.00	\$26,600.00	70.00%	\$0.00	\$0.00	\$0.00
	<b>Subtotal</b>			\$1,517,165.36	\$254,767.45	\$0.00	\$1,771,932.81	73.77%	\$0.00	\$0.00	\$0.00
	<b>PROJECT CONTINGENCY</b>										
90-00-000	<b>Project Contingency</b>			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
	<b>Subtotal</b>			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
	<b>PROJECT TOTAL</b>			\$1,517,165.36	\$254,767.45	\$0.00	\$1,771,932.81		\$0.00	\$0.00	\$0.00

DESTINATION MEDICAL CENTER  
 ECONOMIC DEVELOPMENT AUTHORITY (2015)

**MASTER APPLICATION FOR PAYMENT DETAIL #5**

**October 1, 2015**

Division	Description	Vendor	Contract No	Work Completed To Date					Retainage		
				Previous Billing	Current Work In Place	Direct Owner Purchase	Total Work to Date	Percent Complete	Previous Retainage	Current Retainage	Total Retainage

	Current Work In Place	Direct Owner Purchase	Total Current Work
Current Work In Place	\$254,767.45	\$0.00	\$254,767.45
Less Current Retainage Held	\$0.00	\$0.00	\$0.00
<b>Net Amount Due</b>	<b>\$254,767.45</b>	<b>\$0.00</b>	<b>\$254,767.45</b>

DESTINATION MEDICAL CENTER  
ECONOMIC DEVELOPMENT AUTHORITY (2015)

INVOICE SUMMARY REPORT #5

October 1, 2015

Vendor Name	Description	Invoice No	Invoice Date	Invoice Amount	Retainage Held	Amount Due	Approval
BRANDHOOT	Consulting-Website	1331	9/23/2015	\$35,000.00	\$0.00	\$35,000.00	
BRANDHOOT	Public Relations and Communications	1352	10/1/2015	\$4,086.00	\$0.00	\$4,086.00	
CLIFTONLARSONALLEN LLP	Audit Services	1077765	6/30/2015	\$2,042.93	\$0.00	\$2,042.93	
CWS, INC.	Hosting Services	CW-78722	9/16/2015	\$45.00	\$0.00	\$45.00	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	49903	8/31/2015	\$12,900.74	\$0.00	\$12,900.74	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	49991	9/1/2015	\$355.16	\$0.00	\$355.16	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	49958	9/4/2015	\$161.44	\$0.00	\$161.44	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	49977	9/11/2015	\$87.82	\$0.00	\$87.82	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	49992	9/17/2015	\$1,076.25	\$0.00	\$1,076.25	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	50030	9/23/2015	\$14.53	\$0.00	\$14.53	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	50068	9/28/2015	\$846.34	\$0.00	\$846.34	
DAVIES PRINTING COMPANY	Printing Services	103676	9/8/2015	\$395.00	\$0.00	\$395.00	
GINA MARIA CHIRI-OSMOND	Communications & PR	105	9/21/2015	\$300.00	\$0.00	\$300.00	
HAMMES COMPANY SPORTS DEVEL.	Development Manager Agreement	5005-019	10/1/2015	\$153,800.00	\$0.00	\$153,800.00	
HIMLE RAPP & CO., INC.	Consulting Services-Strategy	0815	9/2/2015	\$37,500.00	\$0.00	\$37,500.00	
MICHAEL BEST & FRIEDRICH LLP	Legal Services	1358833	8/14/2015	\$263.74	\$0.00	\$263.74	
ROCHESTER AREA CHAMBER OF COMMERCE	Sponsorship/Registration	107161	9/16/2015	\$270.00	\$0.00	\$270.00	
SAM SMITH	Social Media	20150801	10/2/2015	\$3,380.00	\$0.00	\$3,380.00	
SAM SMITH	Social Media	20150901	10/2/2015	\$2,242.50	\$0.00	\$2,242.50	
<b>GRAND TOTAL</b>				<b>\$254,767.45</b>	<b>\$0.00</b>	<b>\$254,767.45</b>	

## 7.0 OTHER INFORMATION

DESTINATION MEDICAL CENTER  
 ECONOMIC DEVELOPMENT AGENCY (2015)

**DETAIL SOURCES AND USES REPORT #6** **November 2, 2015**

Division	Description	Final Projected Cost	Previous Billings	Current Billing	Total Billed To Date	Balance to Complete
<b>SOURCES OF FUNDS</b>						
00-30-005	City Contribution	\$2,800,000.00	\$1,771,932.81	\$210,649.65	\$1,982,582.46	\$817,417.54
	<b>Total Sources of Funds</b>	<b>\$2,800,000.00</b>	<b>\$1,771,932.81</b>	<b>\$210,649.65</b>	<b>\$1,982,582.46</b>	<b>\$817,417.54</b>
<b>USES OF FUNDS</b>						
40-00-000	Development Costs	\$2,800,000.00	\$1,771,932.81	\$210,649.65	\$1,982,582.46	\$817,417.54
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	<b>Total Uses of Funds</b>	<b>\$2,800,000.00</b>	<b>\$1,771,932.81</b>	<b>\$210,649.65</b>	<b>\$1,982,582.46</b>	<b>\$817,417.54</b>

DESTINATION MEDICAL CENTER  
ECONOMIC DEVELOPMENT AUTHORITY (2015)

MASTER APPLICATION FOR PAYMENT DETAIL #6

November 2, 2015

Division	Description	Vendor	Contract No	Work Completed To Date					Retainage		
				Previous Billing	Current Work In Place	Direct Owner Purchase	Total Work to Date	Percent Complete	Previous Retainage	Current Retainage	Total Retainage
	<b>DEVELOPMENT COSTS</b>										
40-05-000	Architecture & Engineering			\$1,299.57	\$0.00	\$0.00	\$1,299.57	9.71%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	CARROLL, FRANCK & ASSOCIATES	4020	\$1,299.57	\$0.00	\$0.00	\$1,299.57	9.71%	\$0.00	\$0.00	\$0.00
40-25-000	Marketing & Public Relations			\$265,207.20	\$42,567.00	\$0.00	\$307,774.20	66.37%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	HIMLE RAPP & CO., INC.	4017	\$190,000.00	\$25,000.00	\$0.00	\$215,000.00	84.31%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	GINA MARIA CHIRI-OSMOND	4027	\$1,312.50	\$0.00	\$0.00	\$1,312.50	7.20%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	BRANDHOOT	4016	\$19,447.20	\$4,212.00	\$0.00	\$23,659.20	57.63%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	SAM SMITH	4030	\$19,447.50	\$0.00	\$0.00	\$19,447.50	26.92%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	BRANDHOOT	4043	\$35,000.00	\$0.00	\$0.00	\$35,000.00	100.00%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	FUSE DIGITAL CREATIVE SERVICES	4046	\$0.00	\$9,400.00	\$0.00	\$9,400.00	39.17%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	INSPIRE MN, LLC	4047	\$0.00	\$3,955.00	\$0.00	\$3,955.00	21.73%	\$0.00	\$0.00	\$0.00
40-30-000	Development Services			\$1,414,042.93	\$150,000.00	\$0.00	\$1,564,042.93	83.90%	\$0.00	\$0.00	\$0.00
40-30-300	Development Services	HAMMES COMPANY SPORTS DEVEL.	DMA	\$1,410,000.00	\$150,000.00	\$0.00	\$1,560,000.00	83.87%	\$0.00	\$0.00	\$0.00
40-30-310	Financial, Accounting & Investment Services	CLIFTONLARSONALLEN LLP	4041	\$4,042.93	\$0.00	\$0.00	\$4,042.93	98.14%	\$0.00	\$0.00	\$0.00
40-35-000	Legal Services			\$47,141.07	\$0.00	\$0.00	\$47,141.07	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	DORSEY & WHITNEY LLP	4015	\$43,049.83	\$0.00	\$0.00	\$43,049.83	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	MICHAEL BEST & FRIEDRICH LLP	4021	\$4,091.24	\$0.00	\$0.00	\$4,091.24	100.00%	\$0.00	\$0.00	\$0.00
40-90-000	Other Development Costs			\$44,242.04	\$18,082.65	\$0.00	\$62,324.69	89.13%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CITY MARKET DOWNTOWN	4018	\$97.79	\$108.03	\$0.00	\$205.82	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CWS, INC.	4033	\$1,170.00	\$78.90	\$0.00	\$1,248.90	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DAVIES PRINTING COMPANY	4036	\$395.00	\$3,989.67	\$0.00	\$4,384.67	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DELUXE BUSINESS PRODUCTS	4042	\$266.97	\$0.00	\$0.00	\$266.97	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DATA SMART COMPUTERS INC.	4044	\$15,442.28	\$4,781.99	\$0.00	\$20,224.27	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	ROCHESTER AREA CHAMBER OF COMMERC	4045	\$270.00	\$0.00	\$0.00	\$270.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	MIDWEST SIGANTECH OF ROCHESTER, LLC	4048	\$0.00	\$1,304.36	\$0.00	\$1,304.36	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	TRACY ZDROIK	4049	\$0.00	\$3,900.00	\$0.00	\$3,900.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	RIGGOTT CREATIVE INC	4050	\$0.00	\$119.70	\$0.00	\$119.70	100.00%	\$0.00	\$0.00	\$0.00
40-90-300	Reimbursable Expenses	HAMMES COMPANY SPORTS DEVEL.	DMA	\$26,600.00	\$3,800.00	\$0.00	\$30,400.00	80.00%	\$0.00	\$0.00	\$0.00
	<b>Subtotal</b>			\$1,771,932.81	\$210,649.65	\$0.00	\$1,982,582.46	80.65%	\$0.00	\$0.00	\$0.00
	<b>PROJECT CONTINGENCY</b>										
90-00-000	Project Contingency			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
	<b>Subtotal</b>			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00



DESTINATION MEDICAL CENTER  
ECONOMIC DEVELOPMENT AUTHORITY (2015)

**MASTER APPLICATION FOR PAYMENT DETAIL #6** **November 2, 2015**

Division	Description	Vendor	Contract No	Work Completed To Date					Retainage		
				Previous Billing	Current Work In Place	Direct Owner Purchase	Total Work to Date	Percent Complete	Previous Retainage	Current Retainage	Total Retainage
	PROJECT TOTAL			\$1,771,932.81	\$210,649.65	\$0.00	\$1,982,582.46		\$0.00	\$0.00	\$0.00

	Current Work In Place	Direct Owner Purchase	Total Current Work
Current Work In Place	\$210,649.65	\$0.00	\$210,649.65
Less Current Retainage Held	\$0.00	\$0.00	\$0.00
<b>Net Amount Due</b>	<b>\$210,649.65</b>	<b>\$0.00</b>	<b>\$210,649.65</b>

**DESTINATION MEDICAL CENTER  
ECONOMIC DEVELOPMENT AUTHORITY (2015)**

**INVOICE SUMMARY REPORT #6**

**November 2, 2015**

Vendor Name	Description	Invoice No	Invoice Date	Invoice Amount	Retainage Held	Amount Due	Approval
BRANDHOOT	Public Relations and Communications	1356	10/31/2015	\$4,212.00	\$0.00	\$4,212.00	
CITY MARKET DOWNTOWN	Catering	101348457	9/9/2015	\$108.03	\$0.00	\$108.03	
CWS, INC.	Hosting Services	CW-78839	10/6/2015	\$56.95	\$0.00	\$56.95	
CWS, INC.	Hosting Services	CW-78920	10/19/2015	\$21.95	\$0.00	\$21.95	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	50048	9/1/2015	\$3,035.03	\$0.00	\$3,035.03	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	50102	10/1/2015	\$355.16	\$0.00	\$355.16	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	50104	10/1/2015	\$505.84	\$0.00	\$505.84	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	50137	10/6/2015	\$107.63	\$0.00	\$107.63	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	50139	10/6/2015	\$423.17	\$0.00	\$423.17	
DATA SMART COMPUTERS INC.	Computer Services and Supplies	50271	11/1/2015	\$355.16	\$0.00	\$355.16	
DAVIES PRINTING COMPANY	Printing Services	104032	10/15/2015	\$715.71	\$0.00	\$715.71	
DAVIES PRINTING COMPANY	Printing Services	104053	11/2/2015	\$819.04	\$0.00	\$819.04	
DAVIES PRINTING COMPANY	Printing Services	104102	11/2/2015	\$1,070.87	\$0.00	\$1,070.87	
DAVIES PRINTING COMPANY	Printing Services	104103	11/2/2015	\$490.77	\$0.00	\$490.77	
DAVIES PRINTING COMPANY	Printing Services	104161	11/2/2015	\$618.84	\$0.00	\$618.84	
DAVIES PRINTING COMPANY	Printing Services	S67845	11/2/2015	\$274.44	\$0.00	\$274.44	
FUSE DIGITAL CREATIVE SERVICES	PR & Communications	213	9/30/2015	\$2,600.00	\$0.00	\$2,600.00	
FUSE DIGITAL CREATIVE SERVICES	PR & Communications	214	10/30/2015	\$6,800.00	\$0.00	\$6,800.00	
HAMMES COMPANY SPORTS DEVEL.	Development Manager Agreement	5005-020	11/1/2015	\$153,800.00	\$0.00	\$153,800.00	
HIMLE RAPP & CO., INC.	Consulting Services-Strategy	0915	10/2/2015	\$25,000.00	\$0.00	\$25,000.00	
INSPIRE MN, LLC	PR & Communications	000101	10/31/2015	\$3,955.00	\$0.00	\$3,955.00	
MIDWEST SIGNTECH OF ROCHESTER, LLC	Graphics	8361	10/23/2015	\$1,304.36	\$0.00	\$1,304.36	
RIGGOTT CREATIVE INC	Resource Materials	415	10/15/2015	\$119.70	\$0.00	\$119.70	
TRACY ZDROIK	Design Services	1073	10/16/2015	\$3,750.00	\$0.00	\$3,750.00	
TRACY ZDROIK	Design Services	1071	10/15/2015	\$150.00	\$0.00	\$150.00	
<b>GRAND TOTAL</b>				<b>\$210,649.65</b>	<b>\$0.00</b>	<b>\$210,649.65</b>	

*The Discovery Square Update*

*Will Be Provided*

*At the DMC Corporation Board of Directors Meeting*

# REQUEST FOR QUALIFICATIONS

DECEMBER 17, 2015

PUBLIC SPACE DESIGN SERVICES:  
HEART OF THE CITY SUBDISTRICT  
DESTINATION MEDICAL CENTER  
ROCHESTER, MINNESOTA

## **INTRODUCTION AND BACKGROUND:**

Destination Medical Center Corporation (DMCC), in collaboration with the City of Rochester, Minnesota (City), is pleased to issue this Request for Qualifications (RFQ) for Public Space design services for the public spaces associated with the Heart of the City Sub-District of the Destination Medical Center development plan.

DMCC and the City are collaborating on the redevelopment of Rochester pursuant to the vision and principles of the Destination Medical Center development plan. Within this plan is a sub-district referred to as Heart of the City. Heart of the City is a 9-block area of downtown Rochester bounded by Center Street to the north, 3<sup>rd</sup> Street to the South, Broadway to the East and 2<sup>nd</sup> Ave to the West.

Heart of the City is home to the world-renowned Mayo Clinic and its Cesar Pelli-designed Gonda Building, the recently renovated Peace Plaza, numerous hotels, shops, restaurants, and entertainment venues.

The purpose of this RFQ is to outline the nature of the design challenge and to solicit qualifications from interested public space design firms/teams.

## **ABOUT DESTINATION MEDICAL CENTER:**

The DMC initiative is one of the largest and most innovative economic development strategies ever undertaken in Minnesota. Its purpose is to secure Rochester's and Minnesota's status as a global medical destination now and in the future. It is anticipated that the DMC initiative will result in \$5.6 billion in

private investments in building downtown Rochester, including investments by Mayo Clinic and other private investors, and \$585 million in public funding for public infrastructure and transportation projects.

The DMC is a major economic development initiative that will drive significant new job growth and tax base for future generations. The DMC will significantly increase and accelerate the demand for private development and public infrastructure in this market. DMC is estimated to grow the employment base in Rochester by some 35,000 – 45,000 jobs, and to more than double the visitation from Mayo Clinic patients/companions, as well as business travelers, convention/eventgoers and other visitors to the City, and particularly, to the downtown core.

In June 2013, the Governor of Minnesota signed the DMC law, which provides for \$585 million in State and local funding over a 20 year period to support public infrastructure projects supportive of the DMC mission. The legislation created two new entities to oversee the initiative, including:

- **The Destination Medical Center Corporation (the “DMCC”)**: a public nonprofit corporation, the purpose of which is to oversee the implementation of DMC strategies. The DMCC’s board is structured to provide the primary stakeholders representation in key decisions related to planning and strategic investments of the public DMC funds.
- **The Non-Profit Economic Development Agency (the “DMC EDA”)**: a private nonprofit corporation established by Mayo Clinic, the primary purpose of which is to provide services to the DMCC, and to develop, plan and implement DMC strategies and market the DMC. The services of the DMC EDA are specifically enumerated in the law and by contract with the DMCC.

In addition to the two entities created under the law, the City of Rochester (City), Olmsted County (County) and the State of Minnesota are actively involved in the Project. As provided under the DMC law, the City provides a significant contribution of public funds, assists the DMCC with its financial administration, and disburses authorized funding by the State and the County.

### **ABOUT HEART OF THE CITY:**

Heart of the City is one of six Sub-Districts in the Destination Medical Center development plan. It is described as “as a place of connected spaces and urban experiences that build off the convenient and walkable attributes of the city.” And further that “enhanced public areas and new development would strengthen Peace Plaza as the symbolic heart of the city with new attractions and features at key places along its length.”

The plan goes on to illustrate this vision with eight key places:

- The Balcony
- The Grand Arch
- Ice Pavilion
- Integrated Care Pavilion
- The Light Pavilion
- The Plaza Steps
- The Portal
- Waterfront Passage

Each of these is briefly described in the plan. They are at once conceptual, aspirational, and directional—intended to inform not constrict the next steps in planning and design for the Heart of the City public realm.

### **PRIVATE DEVELOPMENT INITIATIVES:**

In addition to anticipated public space improvements, there will be significant market-driven private sector investment in the Heart of the City Sub District over the next several years including health and medical facilities, hotel and



residential accommodations, and retail, office and biotech space. It is expected that this design process will integrate as much as possible with the work of the private sector, informing and being informed by private development.

### **COMMUNITY ADVISORY COMMITTEE:**

The DMCC and City have established a Community Advisory Committee comprised of stakeholders including neighboring residents and businesses, DMCC and City representatives, members of the design and preservation communities, and other civic leaders. The DMCC and the City anticipate that as a part of the programming and concept design process, the project team will meet with this committee initially and periodically throughout the concept design phase to seek input and test design concepts and ideas.

The DMC EDA will serve as staff to the project, including providing leadership in the community engagement components of the process.

### **SCOPE, SCHEDULE, AND BUDGET:**

#### **Scope**

The Destination Medical Center development plan presents a vision, several illustrative concepts, and set of principles for Heart of the City. The selected firm will be responsible for the next phases of design: pre-design through schematic design, including a recommended phasing and implementation strategy.

- Phase I/Pre-Design:
  - Programming
  - Context Analysis
  - Concept Design
  - Gross Budget
  
- Phase II/Schematic Design:
  - Various Alternatives

- Preferred Scheme
- Preferred Scheme Cost Estimate
- Phasing and Implementation Strategy

## **Schedule**

- Approximate Schedule:
  - Distribution of RFQ, Jan 2016
  - Finalist Pool Selected, Feb 2016
  - RFP from Finalists/Interviews, Mar 2016
  - Project initiation, April 2016
  - Pre-Design, May-August 2016
  - Schematic Design, Sept-Nov 2016
  - Final Report, December 2016

## **Budget**

It is anticipated that the total project budget will be in the range of \$X-XX million.

## **Contract**

The successful firm will enter into a contract with the DMCC.

## **SUBMISSION REQUIREMENTS:**

Public Space Design firms are requested to submit qualifications that do not exceed 8 facing pages of information excluding optional folder, binder, or covers. Qualifications will be standard 8-1/2"x11" format. Do not submit any additional collateral material such as books, magazines, or CD's – additional materials will be discarded.

In your qualifications submission, include the following information, in this order:

1. Introductory letter and general description of your firm.

2. Firm Background and business organization information including:
  - Firm history, philosophy, principals, number of staff, awards, honors
  - Technological capabilities including computer programs your firm uses as part of the design process
  - Description of the firm's approach to design and client service
  
3. Provide examples of projects that demonstrate relevant experience including renovations to existing urban parks and spaces, projects on urban sites, projects that entailed a public process, projects that involved architectural collaboration, and projects designed for winter/cold weather conditions. Please include the following information for three (3) projects only
  - Name of Client/Owner
  - Name and Description of Project
  - Completion Date
  - Client References (name and telephone number) for project Owner, General Contractor, and Project Manager/Owner's Representative, if any, and particularly references for projects that incorporated a significant public process.
  
4. Design Team: Please provide resumes for key personnel who you would propose for your project team, including the Partner-in-Charge, Project Manager, and any other key members of your proposed team for this project, including specialty sub-consultants such as water, lighting, etc., and provide the following information for each:
  - Name, title, role
  - Experience with projects of this scope, scale, and quality, including leading/managing public participation processes
  - Years with the firm

## SELECTION PROCESS

This RFQ will serve as the first stage in a three-stage, qualifications-based selection process.

- **Stage I: RFQ**: Qualifications will be reviewed by the Community Advisory Committee (CAC) which will recommend to the DMCC and City a short list of qualified firms from whom a RFP will be requested, based on the criteria that follow. The DMCC and City will confirm or modify the finalist list.
- **Stage II: RFP**: The DMCC and City will issue requests for proposals (RFPs) to the selected/shortlisted firms, each of whom will be asked to submit detailed proposals (including fees) based on a specific scope of services and a project budget and schedule.
- **Stage III: Interviews**: Some or all of the firms that respond to the RFP may be asked to interview with the Community Advisory Committee. Following interviews, the CAC will recommend a firm(s) to the DMCC and the City for final determination.

The firm selection process will be qualifications-based. DMC and the City reserves the right to reject any and all qualifications and proposals and to negotiate any aspect of a proposal with a proposer. Neither the DMCC nor the City is under any obligation to select and retain a landscape architect through this RFQ/RFP process.

## SELECTION CRITERIA

Qualifications received as a part of this RFQ process will be evaluated based upon the following criteria. The DMCC may, in its sole discretion, expand or reduce the criteria upon which they base final decisions regarding selection of qualified firms.

- Completeness of submission and conformance with submission requirements
- Demonstrated experience with completed urban design projects involving extensive community engagement

- Demonstrated experience with needs analysis, programming, and designing for actively programmed and used urban park and plaza spaces
- Experience designing urban parks and plazas for cold weather environments, for winter use, and with attractive aesthetics under winter conditions

## **DMCC/CITY GOALS FOR THE SELECTION PROCESS**

- The selection process has been designed to ensure the appointment of a team which will provide the very best quality programming and design for the public space associated with Heart of the City.
- The selected team will have demonstrated prior success in developing high- quality designs for public spaces that require a commitment to a public participation process, facilitating the input of multiple and potentially conflicting constituencies and viewpoints, and integrating the input from this process into a program and a final design.
- The selected team will have demonstrated prior success in developing designs for public spaces that are actively used and that require a commitment to a detailed needs analysis and programming effort that addresses function and utility as a foundation for the design.
- The selected team will demonstrated experience with historic resources, treatment of cultural resources and the Secretary of the Interior's standards for historic resources.
- The selected team will have demonstrated prior success in developing designs for public spaces that address both capital costs and future operating, maintenance, and life-cycle costs.
- The selected team will have demonstrated an ability to join the team as a collaborator and internalize and share the values of DMCC and City of Rochester.
- The selected team will be broadly accepted and respected by the various constituencies surrounding the project including City political leadership and staff, DMCC leadership and staff, surrounding residential neighbors, businesses, and institutions, the landscape architecture community, and the preservation

community.

## **SUBMISSION PROCESS**

### Due Date and Number of Copies:

Qualifications are due by 4:00pm February 12, 2016.

Please provide an electronic version (PDF emailed to Cody Pogalz, [codypogalz@dmceda.org](mailto:codypogalz@dmceda.org)) and 15 (15) hard copies of your qualifications. Qualifications received after the deadline will not be accepted. It is not the DMCC's responsibility to acknowledge receipt of any proposal. It is the firm's responsibility to assure that qualifications are received in a timely manner. Deliver all copies to:

Lisa Clarke, Executive Director  
Destination Medical Center  
Economic Development Agency  
195 South Broadway, Suite 12  
Rochester, MN 55902



Questions and Answers: All information required for a complete submission of your qualifications is contained within this RFQ and there will be no formal Q&A process. If you believe you that something is unclear or missing from this RFQ, you may send a brief question in writing, directed to Cody Pogalz, Executive Assistant via email (codypogalz@dmceda.org). Both the question and the answer will be posted on the DMCC website. Please do not contact DMCC or the City prior to submitting your qualifications.

Review of Qualifications and Selection of Short Listed Firms:

The Community Advisory Committee will review all qualifications based on the selection criteria above and create a short list of firms that will receive the RFP.

**GENERAL CONDITIONS**

The following conditions will be required in the contract for services with the selected firm:

To Be Developed...

Heart of the City, Public Space Design  
Community Advisory Committee  
Chairs, Membership, and Responsibility  
December 7, 2015

1. Co-Chairs:
  - City of Rochester—Mayor Brede
  - DMCC—Mayor RT Rybak
  
2. Membership (9-12 people, to be proposed by Co-Chairs and approved by City Council)
  - Business/property owners
  - Civic leadership
  - Downtown residents
  - Partner organizations
  - Design expertise
  - Electeds
  - Chateau Task Force
  
3. Committee Responsibilities/Advisory support to DMCC/City of Rochester
  - Recommend pool of qualified Design Firms for RFP
  - Participate in interviews of qualified Design Firms and recommend finalist
  - Assist in community engagement process
  - Meet with Design Team throughout process to provide input and reaction to design concepts
  - Make recommendations to DMCC and City of Rochester at key project milestones
  - Anticipate 5-8 Committee meetings during 2016 design process

###

## **DMC Dashboard Tool**

### **Project Update:**

To be able to best track, present, and communicate the progress of the DMC initiative, DMC EDA staff has begun talks with Wilder Research to co-develop a metrics and measurements tracking tool. While the DMC currently benefits from an established Development Plan which includes some broader “guiding principles” and goals, and even some specific economic metrics, the DMC EDA will develop a vehicle for consistently monitoring broader social and economic conditions in the District.

Wilder has provided the DMC EDA with a proposal to assist in developing such a tool. The current concept is to use and build off of the metrics/measurements outlined in section 2.4 of the DMC plan. The deliverables for the phase one are as follows:

1. Identification of an appropriate vehicle (e.g., narrative report, static dashboard, interactive website, etc.)
2. The tool’s component parts (Goals, Outcomes, specific Indicators, and data sources)
3. A plan for maintenance of that vehicle (e.g., a schedule of updates)

### **Next Steps:**

EDA Staff will continue to work with Wilder Research to develop the DMC’s tracking tool and metrics/measurements behind it. Phase one has been outlined to encompass ~13 weeks from start date.

*The Saint Marys Place Update*

*Will Be Provided*

*At the DMC Corporation Board of Directors Meeting*



# ROCHESTER

*Minnesota*



December 10, 2015

Tina Smith

Chair

Destination Medical Center Board of Directors

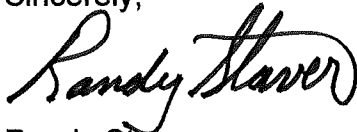
Re: Proposed 2<sup>nd</sup> Street Holiday Inn Project

Several months ago a project for a proposed Holiday Inn and Suites in the St. Marys District of the DMC Development Plan area was submitted by a developer, Larry Brutger. Since that time the project has been proceeding through the City Planning process, including the City Planning Commission and neighborhood meetings. The project is scheduled to come before the City Council at our meeting on December 21<sup>st</sup> relating to the zoning approval matters for the project. Attached to this letter is a City staff report from Terry Spaeth on this project and some project renderings. Additional information may also be provided to you by the DMC EDA. The City staff previously provided information on this project in an update of multiple projects that the City and the DMC EDA have been working on.

The City staff and the DMC EDA staff have been working well together on this project. As is noted in Terry's report, the developer has requested City financial assistance through tax increment financing (TIF) to be used for some shared public parking, which is a stated objective of the DMC Development Plan, and some public infrastructure, potentially including a tunnel across 2<sup>nd</sup> Street to St. Marys Hospital. In addition, as a result of these meetings, the City staff believes there are some additional streetscape and trailway connection amenities that could be included in this area. Those amenity costs, the potential costs for the shared parking, and a tunnel, if determined to be needed and approved by both the City and Mayo Clinic, could potentially be funded with the tax increment dollars if the City is authorized to utilize some special TIF provisions that were included in the DMC legislation. **At this time, the City is requesting and would need authorization from the DMCC Board for the use of the DMC TIF provisions for this project and DMC approval of this project as a DMC public infrastructure project in order to potentially use those provisions to provide financial assistance for the above referenced public infrastructure.** Without that authorization funding for those costs may not be available and the project may not proceed as proposed.

The City will continue to work with the DMC EDA to determine how such funding would be utilized to permit the project to proceed to benefit and best serve this area. At this time, the developer of this project has been working on this project for several months and is waiting to learn if there might be the potential for TIF funding for the costs of the shared parking and possibly a tunnel. The City Council has not made any decisions relating to the land use matters or financial assistance for the project with TIF at this time but could be in a position to do so following the DMCC authorization and the project zoning hearing at our December 21<sup>st</sup> City Council meeting. However, without knowing whether the DMCC Board is comfortable enough that the project as described in the attachment will be a good addition to the St. Marys area and will at least authorize the use of the DMC TIF provisions for this Brutger development, the project will come to a standstill. We have also noted that the Board's next meeting is not scheduled until March, 2016. For that reason, the City is simply seeking authorization from the DMCC for the use of the DMC TIF provisions for the public infrastructure for this potential project. Several details would remain to be worked out on the project, including the details relating to the City providing any TIF assistance: whether to provide such assistance, how much and what it would be used for, and City approval of the land use requests. The City will continue to work together with the DMC EDA and Mayo Clinic on this proposed project and would provide regular updates to the DMCC Board.

Sincerely,

A handwritten signature in black ink that reads "Randy Staver". The signature is written in a cursive, flowing style.

Randy Staver  
City Council President  
City of Rochester, Minnesota

cc: Mayor and City Council  
Stevan Kvenvold

# Memo

**To:** DMCC Board

**Cc:** City Council, DMC EDA staff, City Administration Staff, Richard Freese

**From:** Terry Spaeth, Redevelopment Director

**Date:** December 10, 2015

**Subject:** Proposed 2<sup>nd</sup> Street Holiday Inn project information

For several months, City and DMC EDA staffs have been working with the developer of a proposed Holiday Inn & Suites project, directly across from St. Marys Hospital on the north side of 2<sup>nd</sup> Street SW. The developer (Larry Brutger) is proposing to construct a 225 room, full service Holiday Inn & Suites, with 41 of the units being extended stay units and 36 suites. The proposed building would be 6 stories in height along the 2nd St. façade and step down to 4 stories on the north façade along 1st St. SW. The project also proposes to have 6 levels of parking, with 2 levels being underground and approximately 350 spaces. The building materials would consist of brick, metal and glass materials, with no ephus material on the façade. The estimated project cost is approximately \$62 million. The developer is in the process of securing zoning / land use approval and is scheduled to be before the City Council at the 12/21/15 Council meeting.

The project proposes that a tunnel connecting the hotel to St. Marys Hospital be constructed. Mayo staff has indicated they are amenable to a tunnel connection to the hospital, but they would want a tunnel to serve multiple properties in this vicinity.

As our project discussions have ensued, we have gathered additional information about the feasibility of lateral tunnel extension. Mayo indicated they would be willing to bring the tunnel from the hospital building to the edge of the public right-of-way. From that point, it would be the responsibility of the City to construct the tunnel under 2<sup>nd</sup> St. SW to the north side of the street. The current thought is that this could be done as part of the Phase 4 of the 2<sup>nd</sup> Street reconstruction, currently scheduled for 2018. That tunnel could serve all the properties on the block between 12<sup>th</sup> and 13<sup>th</sup> Avenues. In terms of extending the tunnel laterally to the west, , the City would ask the developer to provide a corridor easement through the lower level of the hotel, that would extend over to 13<sup>th</sup> Avenue SW. From that point, the tunnel could be constructed under 13<sup>th</sup> Avenue SW, however; there will be significant costs related to relocating stormwater infrastructure. There is no basement level in the hotels located on the west side of 13<sup>th</sup> Avenue, but it may be possible to bring the tunnel to an elevator and stair in the Marriott Courtyard, and then extend the tunnel back across



2<sup>nd</sup> Street to serve a proposed redevelopment project located on the south side of 2<sup>nd</sup> Street SW, west of 14<sup>th</sup> Avenue SW ( Alatus / Lux Project). If a tunnel is extended to the proposed redevelopment project on the south side it would have potential for extension further to the west. Multiple blocks may be able to be served by a tunnel system if this were to be approved by the City Council as part of future projects.

In terms of going east with a tunnel from the proposed hotel project, that would be considerably more costly, again due to having to relocate stormwater infrastructure. It may not be feasible to extend the tunnel beyond 12<sup>th</sup> Avenue SW, in an easterly direction.

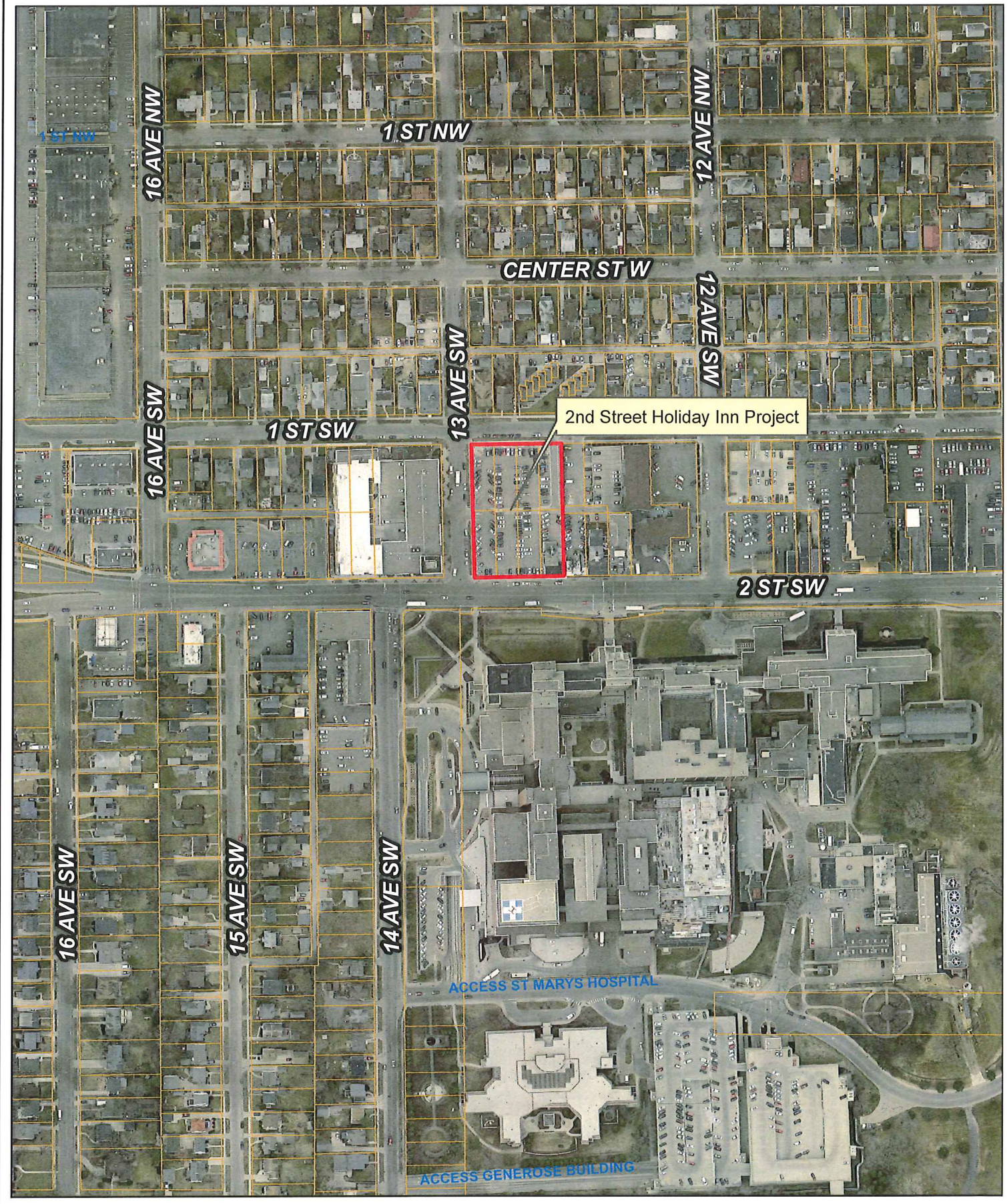
As part of the hotel project, the developer is proposing to construct approximately 350 parking stalls. This number of parking stalls provides an opportunity for some public parking spaces (up to approx. 125 spaces), of which a portion could be designated hourly rate spaces to accommodate visitors and local shoppers, and a portion could be set aside as daily rate spaces as well.. The DMC Development Plan indicates the need for a significant number of parking spaces in this general vicinity and contemplates private / public shared parking accommodations. These public parking spaces would help meet those demands.

The Brutger hotel project site does not qualify for the establishment of a Redevelopment Tax Increment Financing district under the existing provisions of Mn. Stat. 469.174, but rather needs to be included as a project in the DMCC Development Plan and be able to utilize the Redevelopment Tax Increment Financing special provisions set forth in the DMC legislation in order for a tax increment financing district to be established. As such, the project would then also be subject to the other provisions of the DMC legislation related to WMBE requirements, American made steel requirements and prevailing wage requirements.

Since the tunnel and public parking components to this proposed development differentiate this from other hotel projects along the 2<sup>nd</sup> Street corridor, the City staff would recommend that some public assistance, in the way of tax increment financing be provided to the project to facilitate the construction of the public parking and tunnel elements of the project. The specific terms of any funding agreement and revenue sharing for the public parking for the project need yet to be worked out with the developer. At this time, the City would respectfully request that the DMCC Board provide its approval to permit the City Council to utilize the special DMC TIF provisions as they so determine for the Brutger project, so that we are able to continue moving forward with this development project.

City staff feels that the proposed 2<sup>nd</sup> Street Holiday Inn project provides the following benefits and addresses some of the goals of the DMC Development Plan. These include a shared parking component, safer access, opportunity for improved streetscape, enhanced retail / restaurant opportunities, job creation and a significant private investment in a high quality hotel product.





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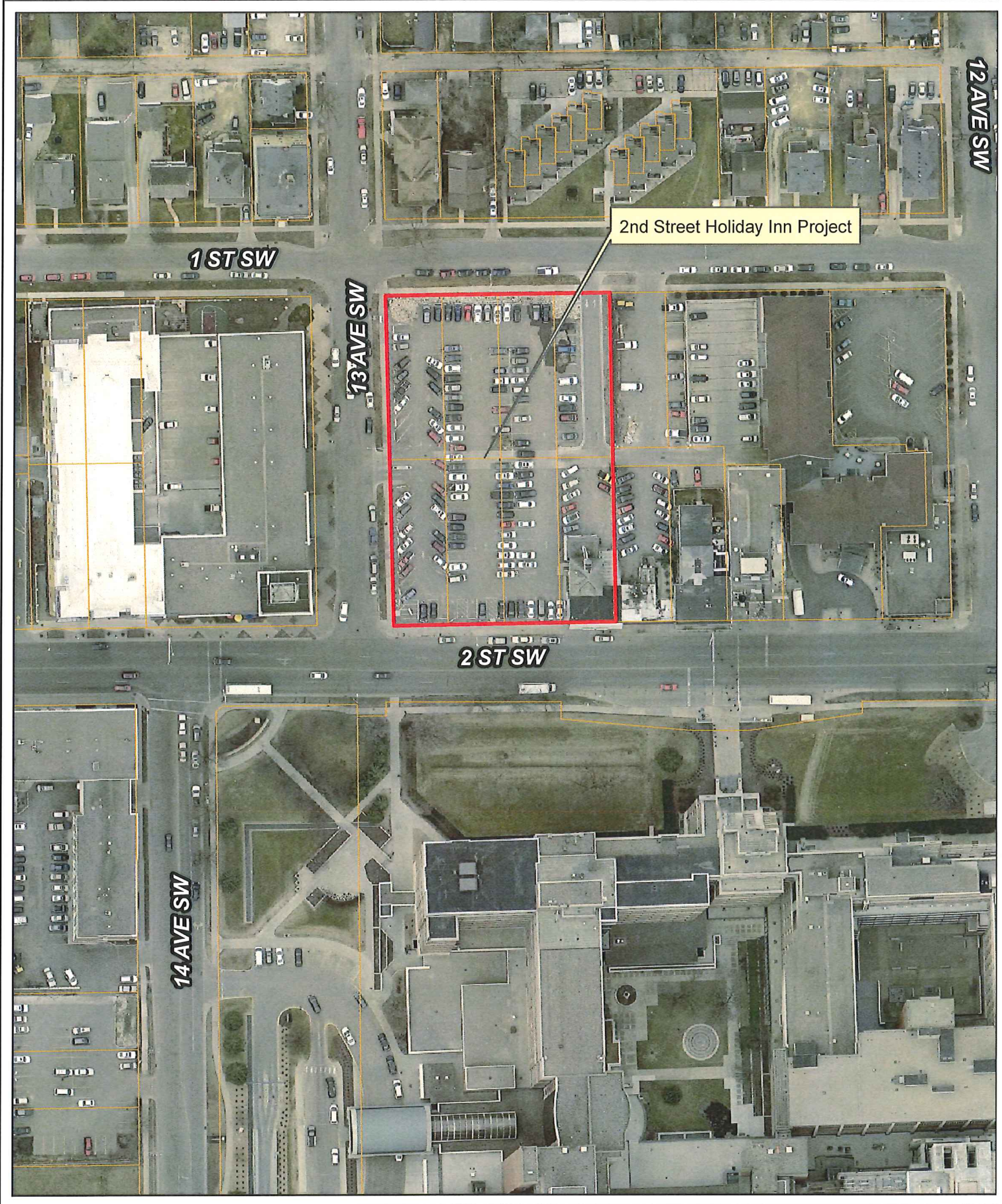


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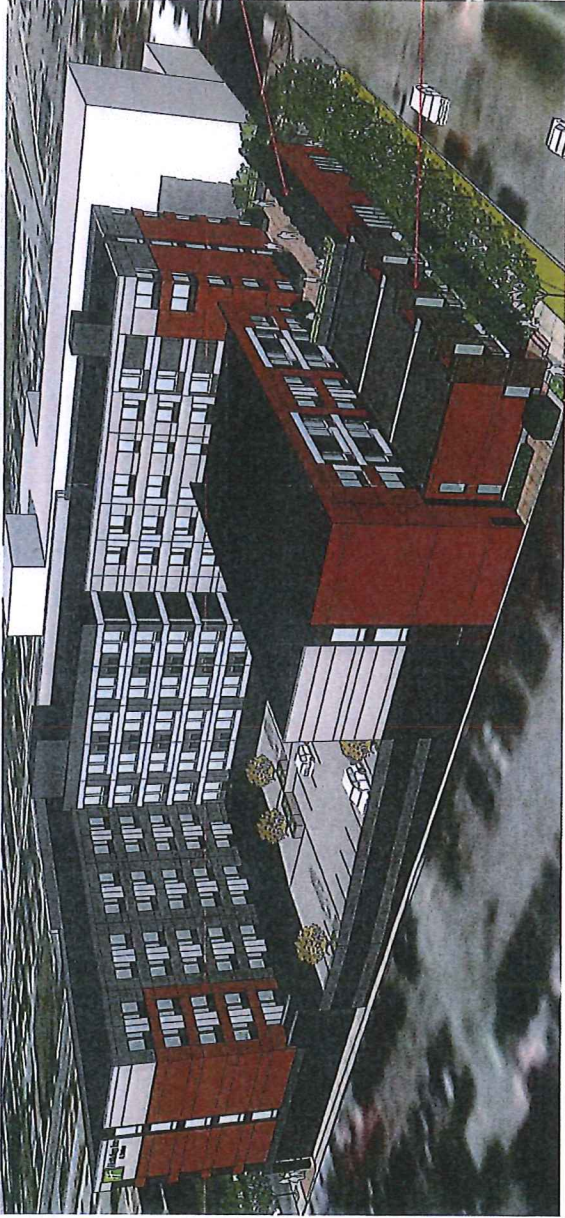
# City of Rochester, MN

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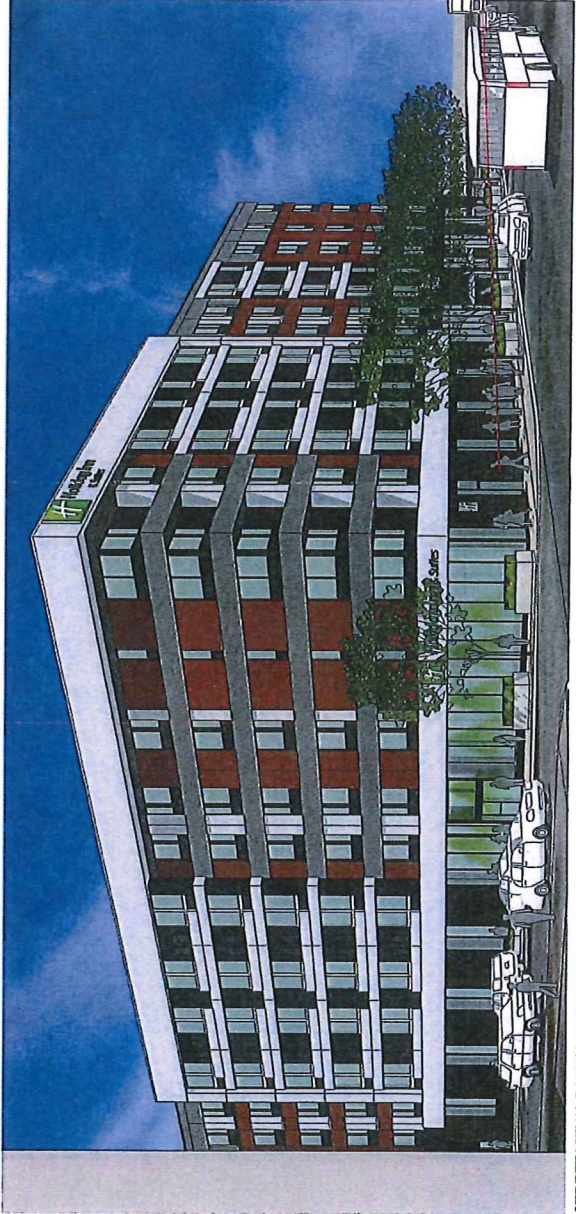




ROOF TERRACE OVER  
POOL/EXERCISE AREA

THREE, TWO-STORY  
TOWNHOMES

AERIAL VIEW LOOKING SOUTHWEST



ADDED ENTRANCE INTO  
BAR/LOUNGE AREA

STREET VIEW LOOKING EAST ALONG 2ND STREET SW

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OCTOBER 14, 2015



ST. MARY'S HOLIDAY INN & SUITES

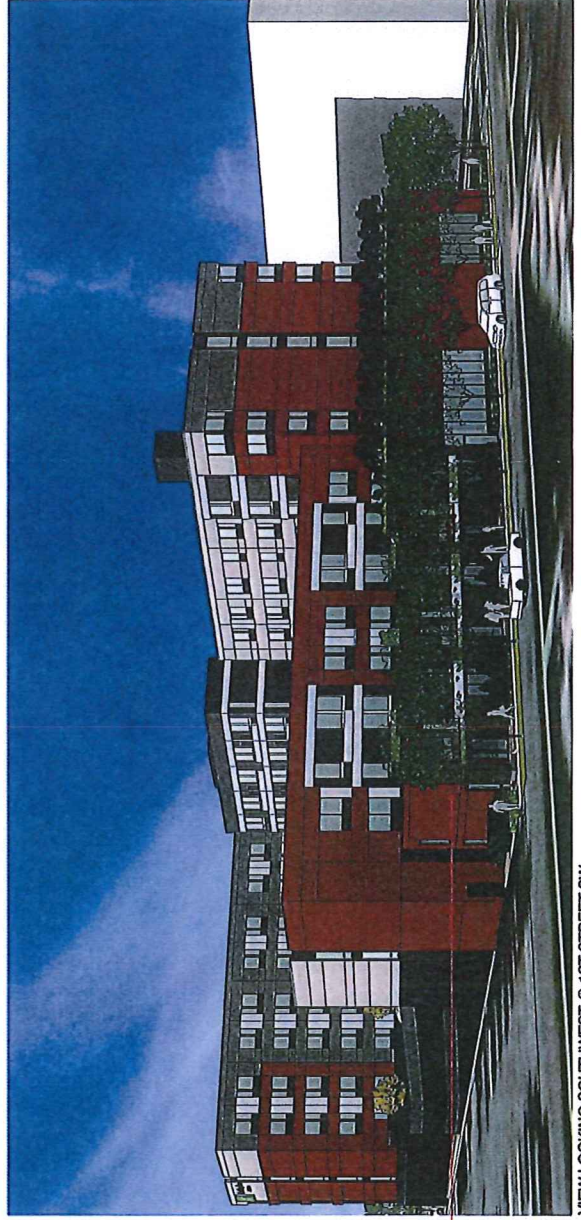
PERSPECTIVE VIEW





ROOFTOP TERRACE  
OVER POOL/EXERCISE  
AREA

VIEW LOOKING SOUTH @ INTERSECTION OF 13TH AVE. & 1ST ST.



THREE TWO-STORY  
TOWNHOMES

VIEW LOOKING SOUTHWEST @ 1ST STREET SW

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PLANNING DEPARTMENT

OCTOBER 14, 2013



ST. MARY'S HOLIDAY INN & SUITES

REFLECTIVE VIEW





ADDED ENTRANCE INTO  
BARLOUNGE AREA

AERIAL VIEW LOOKING NORTHEAST @ INTERSECTION OF 2ND ST. & 13TH AVE.



SEPARATED PARKING  
AND SERVICE  
ENTRANCES

ADDED STREETSCAPE  
ELEMENTS

AERIAL VIEW LOOKING EAST @ 13TH AVENUE SW



OCTOBER 14, 2015



ST. MARY'S HOLIDAY INN & SUITES

DESIGNER'S VIEW

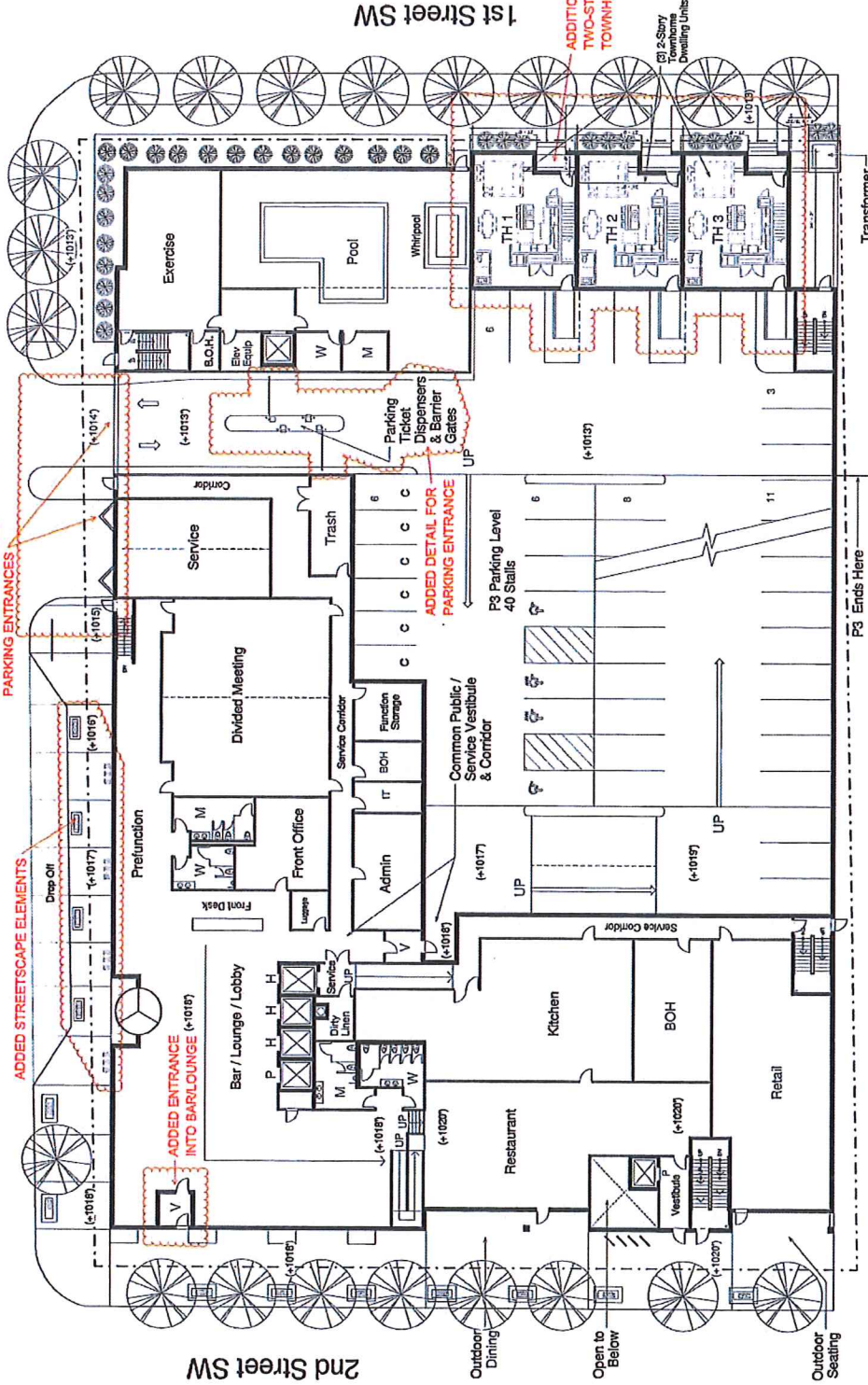


**13th Avenue SW**  
SEPARATED SERVICE AND  
PARKING ENTRANCES

ADDED STREETSCAPE ELEMENTS

2nd Street SW

1st Street SW



ADDED ENTRANCE INTO BAR/LOUNGE

ADDED DETAIL FOR PARKING ENTRANCE

ADDITION OF THREE TWO-STORY TOWNHOMES

TH 1  
TH 2  
TH 3

3-Story Townhome Dwelling Units

Transformer

P3 Parking Level  
40 Stalls

P3 Ends Here



OCTOBER 14, 2015



ST. MARY'S HOLIDAY INN & SUITES  
ROCHESTER, MN

STREET LEVEL AND P3